THE FINANCIAL POST

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The Nation's Business

What Will Really Hurt Recruiting

German newspapers are "full of stories of Canada splitting up over conscription. I saw big newspaper posters in Berlin declaring Canada was preparing to cut its ties with the British Empire on the conscription issue."

So reports a British woman, now in Canada, who was captured and later released by the Nazis.

Canadians concerned with an all-out war effort will not be surprised. The spectacle on Parliament Hill, now, fortunately, terminated in the passing of the notorious Bill 80 ("Conscription" Bill) has been one of the lowest in Canadian national history.

The debate was approximately 300,000 words long, enough to fill over 300 newspaper columns, enough to fill four and a half average length novels; enough to consume 36 hours of a continuous radio broadcast speaking at high speed.

Here, abundantly, was a demonstration of government waste. Here, abundantly, is proof that the whole "conscription" performance was a stall designed to stave off the government's day of decision.

Prime Minister King has made another of his famous commitments. He announces that he will again seek a vote from the House before the government enforces any measure for compulsory service overseas. Here is another "stall." Does this mean that again we will be subjected to weeks of debate in the House?

The exhibition is particularly strange coming from a government which ordered the arrest of Colonel George Drew on the charge of making statements "likely to prejudice recruiting."

What could be more injurious to recruiting than for the government to demonstrate its unwillingness courageously to face and act upon the most crucial problem of our time? What is more prejudicial to recruiting than a demonstration that the government itself does not recognize the gravity of the present situation.

Above all, what would be more prejudicial to recruiting than for the public to come to the opinion that there are facts about the conduct of the war which the government does not want brought out; that any earnest searcher for the truth is in danger of being labelled a "saboteur" or of being summonsed on a charge of prejudicing recruiting.

* * * *

THIS MUST NOT CONTINUE

The real test of Mr. Ilsley's financial plans for the coming year has yet to come. That test is the ability and the willingness of Canadians voluntarily to lend the government a further $1,750 millions in war bonds and stamps. The whole financial plan depends on them doing so.

The weight of the new tax levies makes this additional responsibility extremely great. Paying taxes and making voluntary loans in adequate amount will require a degree of self sacrifice, of wholehearted devotion to Canada that is unparalleled in free society.

Mr. Ilsley has been widely applauded for his courageous headon attack against inflation and his adherence to the pay-as-we-go-as-far-as-we-can policy. But let the government remember that this applause has come only from that small section of the community which talks about things like these. Yet to be found out is how the mass of Canadians will react when, in September, pay cheques start being stripped of "the icing on the cake."

The first thing the government must do if it really wants full and willing co-operation from the Canadian public; if it really wants its financial policy to succeed, is to do what it asks of everybody else; cut down non-war expenditures; exercise the most stringent self-sacrifice.

The pure waste among the expenditures of the Houses of Parliament which was cited last week by the Scottish-Canadian member for Simcoe East, G. A. McLean would be shocking at any time; in wartime, it is scandalous.

The total amount of money involved in waste of this nature may not seem great alongside a $4 billion budget. But the waste of a mere $100 is an outrage. For where one $100 is wasted, there will be other hundreds wasted and year after year. Waste indicates an attitude of mind; a way of doing business.

It shows a government carelessness with the public's money; a devotion to "looking after" party faithful; a lethargy and indifference to correcting mistakes made in the past or by other governments.

In business, trustees for the money of other people are jailed for its misuse. The Dominion government is our trustee.

Expenditures for super-services or for official pomp or for compassion may in some cases in the past have been justified. In wartime, they are not.

* * *

APPALLED BY COMPLACENCY

Amazement at the complacency of a great many in Canada about wartime controls was expressed by a Canadian businessman who has just come back to this country after spending a couple of war years in the United States. He said he was "appalled" at the glib and ready acceptance here of the view that all these controls somehow contribute to the war effort; that they speed victory and that most of them will be continued after the war.

His words emphasize a warning that The Financial Post has been expressing repeatedly; that we are fighting to preserve the democratic way of life; that bureaucratic government is not democratic government; that neither socialism nor totalitarianism can be grafted on to democracy without killing democracy; that it will be folly indeed to win a victory abroad and accept defeat at home.

It is comparatively easy for Canadian business to fall prey to bureaucracy and totalitarian control. Canada's war effort has gained very much from the experience and devotion of the hundreds of Canadian businessmen who have taken on special wartime jobs. In a great many cases, the standing of these individuals in their own trades, has won for them the ready co-operation and respect of most members of the particular trade over which they have power. Because of the limited size of the Canadian business community (compared with the United States, for instance) the oil of personal acquaintance or of intimate friendship has done much to lubricate the ways for Canada's wartime controls.

And it is precisely in that fact that Canada's particular danger lies. In the United States, business had most of a decade of experience with theoreticians and braintrusters and professional administrative potentates. The United States business community is so big that only a few will be blinded by personal familiarity to the real facts of the predicament threatened by power-packed bureaucrats who love their power, want to keep it. United States businessmen have had their warning from long experience. No wonder they are on their guard. Canadians have to use mainly their intelligence as a warning.

In Canada, it is very easy to take the attitude "Why I know Joe . . . He's all right. We don't ever need to worry about him."

True. For 99 Joes out of the hundred, there is no concern.

Remember that the top notch men will be swarming back to their own jobs in private business as fast as their wartime job will let them away. Remember that business will be only too anxious to recover or to employ the top notch, second flight executive when released. Watch out for what's left; for the chaps who enjoy bureaucracy, its powers and perquisites; who want to saddle Canada permanently with controls because they want a job.

That very obviously is what the C.C.F. has in mind in its clamor that businessmen at Ottawa be sent home and replaced by a new army of civil servants. That is precisely the neat way of saddling Canada with socialism.

Sugar Bonus For Canada Unlikely

No Jump in Consumption at Expense of Ships and Human Life Says W P T B

By STAFF WRITER

OTTAWA.—Despite U. S. changes, there's no chance of Canada easing up on the sugar ration, according to WPTB officials.

Heavy stocks and current surpluses of sugar in U. S. are expected to yield a two-month "bonus" of 10% to U. S. industrial users in September and October and possibly a 25% bonus to hotels and institutional users. This action follows announcement of a two-pound "bonus" to consumers on the next ration coupon.

Such a reversal of policy from the "famine" talk of a short time back cuts no ice with Canada's sugar experts. They see sugar rationing now, as always, in terms of sunken ships and drowning seamen.

Every month has taken a toll of sugar bottoms destined for Canada. In May we lost three tons of sugar for every two that reached destination. To talk of increasing the ration when the bulk of what would be eaten would be at the risk of human lives and valuable hulls just doesn't make sense.

Present Stock Ample

Admittedly there is an ample present stock of sugar in Canada as in the U. S. Current U. S. problems are said to be due in large measure to

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The Nation's Quartermaster

—Photo for The Financial Post by Karsh.

Main burden of rationing life's necessities in Canada will fall on a six-footer from Montreal, M. W. Mackenzie, who recently joined the Wartime Prices and Trade Board to take charge of Supply, Distribution and Rationing. His job will be to see that in the whole complicated system of moving goods into consumers' hands each citizen gets an equal share. Personal sketch of Mr. Mackenzie will be found in Post-scripts, page 6.

Retailers Hit Stamp Taxes

Charge System Slows Sales, Increases Costs

By ROBERT C. STARK

Imposition of heavy new taxes on so-called "luxury goods" in the latest budget is raising an outcry from the Canadian retailer. To him this return to the special luxury tax of the last war means a return to a cumbersome discriminatory system that tends to slow up sales, works against good customer relations.

Out of the mass of argument that they have gathered against the present system of tax levy retailers have gone back 20 years to find a suitable adjective. Dusting off the unofficial name of the special luxury levies of the last war they find "nuisance taxes" to be aptly descriptive once again.

From this new stamp tax the retailer by and large, expects to get nothing but fresh headaches. Here is what the Government expects to get during the current fiscal year:

Stamp tax on:	Est. collection
Luggage	$1,500,000
Jewellery, clocks, watches .	5,000,000
Cut glass and china	750,000
Ash trays, pipes, fountain pens, pencils, etc.	500,000
Total	$7,750,000

Main bone of contention with the retailers so far is in the method of collecting the tax. On the items set out by Ottawa on which a 25% tax is levied the retailer has to affix on the sales slip the number of stamps required; a sales slip for a $10 piece of jewellery must carry $2.50 worth of stamps.

This means that the sales clerk has to count out the stamps, affix them to the sales slip, then cancel them. All that takes time and customers grow restless quickly. It is figured that with many items the work in connection with the new stamp tax takes the sales clerk longer than actually making the sale.

One large Toronto department store follows the procedure of having the clerk send the sales slip on a taxable item through the pneumatic tube delivery system to the cash office. The stamps are affixed there and the slip shot back. This again is a time-consumer. Another retailer figures that when the Christmas rush develops he will have to employ another girl solely to help out his present cashier with the stamps.

Bookkeeping Costs Up

Bookkeeping costs will also be increased by the step, say the retailers. The tax must be accurately computed on a wide price range and records must be kept, thus opening

(Continued on page 2, col. 3)

Work and Wages Set Record; Wages Ahead

Canadian manufacturers employed more workers and paid them more in wages at May 1 this year than at any previous time in the country's history, according to the Dominion Bureau of Statistics indexes. Feature of the changes in the latest month was a gain of about 10,600 in number of workers in the iron and steel industries.

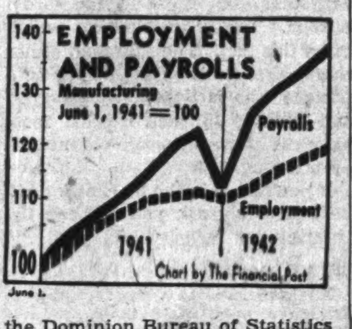

Chart by The Financial Post

At the same time average weekly earnings per capita rose to $29.19 in manufacturing and to $28.60 for all industry. Wages have outstripped employment by a substantial margin since complete figures on the former were first made available in June, 1941.

Blitz Rationing Machine Readies Permanent Plan

OTTAWA.—Within a week or ten days 800 picked schoolteachers in every city of Canada will be writing your name and address into the cardboard books which will be Canada's second step in the most successful ration blitz ever staged in any country.

These teachers are now busy sorting and checking the 10 to 12 million signed application cards which form as complete a reference file on Canadians as has ever been obtained.

The new books will provide enough sugar coupons for each person in Canada for a six-month period. They will provide as well for three "spare" commodities as yet unnamed and undetermined. In addition to the 13 sugar coupons (each one good for two weeks' supply per person) there will probably be four or five additional pages of coupons some of which will permit rationing any commodity which would require presentation of double the number of coupons, that is, a coupon each week instead of one every two weeks.

Ration Miracle

At Ottawa, seasoned officials and business executives are delighted with the ease and simplicity with which 38-year-old Boyd Millen of Montreal confounded the experts and put across the coupon blitz in

(Continued on page 2, col. 7)

Big Army or Big Arms Output?

Cabinet Wrangle Reveals Canada at Manpower Crossroads

By KENNETH R. WILSON

OTTAWA. — Canada's federal cabinet is airing the critical battle of manpower in full view of anyone who cares to listen to the debates of the House or read the pages of Hansard.

Traditionally, Canadian cabinet ministers fight their battles for bigger armies or increased departmental responsibility behind closed doors in the East Block. Recently, the fight for a larger share of Canada's dwindling manpower has been conducted openly and without shame in Parliament.

The question breaks down into these major components:

Should Canada plan a much larger army?

Should Canada devote more effort to war production?

The wise answer is one that officialdom should be presumed to have more information about than wartime wisdom would justify divulging. The fact that there is a conflict of view in official quarters is not reassuring.

Chief protagonists are Messrs. Howe and Ralston. Both realize that the manpower sands are running low. Both know their programmes will be jeopardized unless they can establish a "priority." Having failed, apparently, to settle their dispute behind cabinet doors, they are taking their case to Parliament and to the public at large.

Nub of the problem is the startling and accelerating need of war industry and the armed services in the next nine months. The present estimated requirement totals approximately 343,000 (apart from agriculture.) Of this, the armed forces needs about 70% (233,000). Mr. Howe puts the war industry need at 110,000.

Mr. Howe thinks the "big army" programme jeopardizes war production. Col. Ralston says we are not fully mobilized when

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Canada's Manpower Distribution & Requirements

	PRESENT DISTRIBUTION June-July/42			PROBABLE REQUIREMENTS by Mar. 31, 1943		
	Men	Women	Total	Men	Women	Total
Armed Services	485,000	7,000	492,000	700,000	17,000	717,000
War Industry	665,000	135,000	800,000	710,000	200,000	910,000
Essential (non-war) Utilities and Mining	300,000	....	300,000	275,000	....	275,000
Agriculture*	1,200,000	48,000	1,248,000	1,150,000	73,000	1,223,000
Civilian Industries and Services..	1,300,000	850,000	2,150,000	1,185,000	810,000	1,995,000
	3,950,000	1,040,000	4,990,000	4,020,000	1,100,000	5,120,000

* Apart from housewives.

P.R.P. Plan New Basis Priorities

U. S. Expert's Study Underlies New Plan to Equalize Canada-U. S. Priority Set-up

OTTAWA.—The roaring momentum of U. S. mass production of war weapons is given here as the chief reason why Canadians from now on will feel an increasing pressure from the new U. S. Production Requirements Plan (P.R.P.).

For six weeks a priority expert from Washington has been making an itemized check on every one of Canada's civilian production controls. Nearly completed, when his work is done he will have matched in intimate detail the "end result" of Canada's control of raw materials compared with those imposed by the United States.

What will come of this study is a rigid application of the principle that it is "end result" rather than "procedure" that counts, and that after allowance for special conditions in each country, no civilian manufacturer who requires materials of use in the war effort shall be any better off in Canada than in the United States.

It is emphasized that except for certain unavoidable cross references and forms, the U.S. authorities have no desire to force Canada to mold its control legislation to the U.S. pattern (in many cases the U.S. is gradually coming round to the Canadian way of doing things).

Many Industries Threatened

The determination is to make sure that Canada falls closely in line with the U.S. control and curtailment programme — a programme which now threatens to put out of business tens of thousands of business firms which have been given a definite deadline beyond which they can no longer obtain raw materials.

There is one important exception to this principle. There shall be allowance for conditions in either country which are not strictly parallel. Thus Canadian stove manufacturers will be allowed to make more stoves (proportionately) than are being permitted in the U.S. because we have a colder climate. By the same token we will be more restricted in our production of refrigerators.

Source Taxation Machinery Set Up

Important New Table of Deductions Will Show Employers How to Collect Income Tax at the Source After Sept. 1

By KENNETH R. WILSON

OTTAWA.—A complete, comprehensive "table of deductions" will be available to Canadian employers possibly within a month to enable them to know exactly how much income tax they will deduct at the source on and after Sept. 1. This table will eliminate any need for personal adjustments between the employer and the employee. It will not follow a rigid pattern but will mean for most wage and salary earnings the collection in installments of about 80% of their "gross" tax and minimum saving requirements liability under the new budget rates.

Allowance will be made under the schedule for the fact that most wage and salary earners have already contributed part of their 1942 tax in National Defense Tax deductions. After making this allowance the deduction which will be required will still approximate in a general way the 80% of gross tax liability.

Delay Returns

Under the new proposals now being whipped into shape at Ottawa, the date for filing of personal income tax returns will be postponed from early spring. Individual income tax returns will probably not be required on 1942 income until September or October, 1943. Wage and salary earners will meanwhile make the stated monthly contribution as required in the employer's "table of deductions," and at the end of 12 months will make claim for any refund or make good any deficiency between the amount contributed and the final tax and saving requirement.

All persons not being paid salaries or wages and therefore not subject to deduction at the source are required by the act to pay their taxes quarterly with the first installment payable on or before Sept. 15. They will not be required to file a tax return at that time but merely estimate their tax and saving liability and pay one half of this in two quarterly installments on or before Sept. 15 and Dec. 15 respectively. The two final quarterly payments are due Mar. 15 and June 15 respectively in 1943.

Problems such as the net amount of insurance premiums, pay pension deductions, etc., which may be credited by the individual towards his minimum saving requirement need not worry the employee until well on in 1943. All he will be required to do is pay the amount stipulated in the table of deductions and then, late in 1943 compute any adjustment up or down. At no time will employers be concerned about the personal affairs of their employees. They will be guided entirely by the table of deductions and let their employees worry about personal adjustments from that commitment.

The basis on which insurance payments will be credited will probably be the amount of net saving which the policyholder has accumulated during the period. If a policyholder pays a $300 premium today and seeks a $200 policy loan three

(Continued on page 2, col. 1)

It's Your MONEY

. . . . that Ottawa is using to pay for two separate and private post offices within a few feet of each other in the basement of the Parliament Buildings. One for the House of Commons; one for the Senate. Itemized cost of maintaining these, according to the 1943 estimates, is $14,190 exclusive of temporary help, overhead, rental, etc.

On the basis of volume of mail handled this is probably twice what it would cost if the job were turned over to the Post Office Department. This case was cited by the Scottish-Canadian, George A. McLean, Simcoe East, in the House.

Significant fact: He's a Liberal.

Eliminating this duplication was mooted years ago. The recommendation was pigeonholed.

Volume of mail passing through these post offices is probably equivalent to that handled by the Town of Yorkton, Sask. (about $50,000 a year).

But Yorkton gives 24-hour service to a population of 5,586 plus surrounding territory. The salary list for nine employees is $4,380—less than a third what two dummy offices cost.

More Curbs on Power To Begin October 1

Nearly All Large Urban Centres in Canada Will be Affected in Move to Conserve Power for War Purposes

By JOHN E. LANGDON

MONTREAL.—Restriction in the use of electrical energy for other than war purposes will go into effect at the beginning of October. Final details are being worked out now and an official announcement will be made by H. J. Symington, power controller, in the near future.

Plans call for restricted use of electricity in Quebec, eastern and southwestern Ontario. They also will be applied to Saint John, N.B., Halifax, probably Winnipeg and Vancouver, with Calgary a possibility.

Dim Shop Windows

Electricity for use in neon lighting and all outdoor signs is definitely out. This ruling will apply to daytime as well as evening use.

Commercial lighting will be substantially reduced, and after Oct. 1 shop windows in the points mentioned will no longer blaze at night.

Certain large industrial power users in Ontario and Quebec have been notified or will be notified that power will not be available to them this winter. This order applies only to manufacturers who are engaged in non-war work and the production of goods considered relatively nonessential.

It is not possible to say how far such restrictions will be applied to industry. That they will be applied there is no doubt at this time.

Consumer To Do Part

Consideration is being given to limiting domestic use of electricity. Certain measures have been taken already in respect to domestic hot water heating in the areas served by Ontario Hydro. Other schemes are in mind.

It is known a reduction of at least 15% in domestic electricity consumption is sought. A voluntary plan is not considered feasible. There is a suggestion the individual consumer will be penalized by sharply higher rates for consumption of energy over and above the normal figure, less 15%, but no decision has been reached on this proposal because of the difficulties involved.

Need for Energy

It is the intention to do as little as possible to disturb domestic use of electricity. At the same time the

(Continued on page 2, col 1)

Good Will Boosted By Sugar Control Foresight in U. S.

By STAFF WRITER

OTTAWA.—Most effective and unexpected goodwill gesture in Canadian-U. S. relations, 1942, can be credited to the initiative and imagination of officials handling the sugar coupon ration.

In their blanket coverage of the nation's householders they came across a special list of 9,000 U. S. citizens who permanently make their summer home in Canada.

To each one, personally, at their U. S. address, went a cheery letter headed "Dear Neighbor."

It said, in part:

> ". . . if you are going to 'keep house' even for a limited period, you will require a sugar rationing card in order to obtain supplies from the grocer. We are anxious to make sure that you obtain this card in good time so that you will not be inconvenienced by even a temporary lack of sugar . . ."

The response has been extraordinary.

Said a Detroit advertising executive: "It was quite a shock to find a governmental body so farsighted as to anticipate future requirements." Said a prominent New York lawyer: "I only wish our own government would take a lesson or two from Canadians about efficiency and courtesy in conducting public business."

13 Medium Bombers Could Have Been Built in the Time Lost in Strikes First Four Months of This Year.

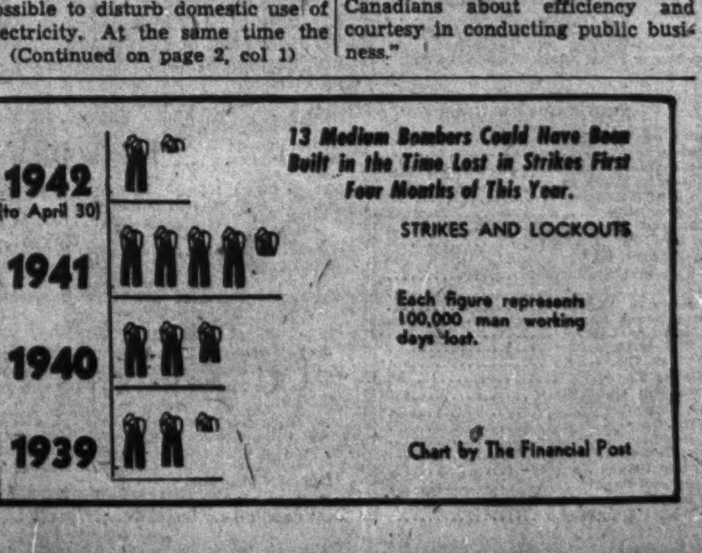

Chart by The Financial Post

Tie News FROM EATON'S

Just in From England!

COOL LOOKING FOULARDS

Drop in to-day and see these new arrivals! They're made by that famous manufacturer "Hugh Parsons" from English gum twills and come in a variety of unusual designs, paisleys and neat patterns. Shades are light and Summery!

Each 2.00

Main Store—Air-Cooled Main Floor

T. EATON C°. LIMITED
TORONTO CANADA

More Power Curbs To Begin Oct. 1

(Continued from page 1)

need of conserving energy for war purposes is pressing and, with all the economies in mind, there may be temporary shortages in certain areas which may call for more drastic restrictions. Where such a step is necessary, it is likely to be only of short duration.

The power supply situation for next winter looks considerably better than it did a few weeks back and is excellent compared with prospects a year ago. At the same time the demand for power for war purposes also has increased. The projected restrictions on commercial, non-essential industrial and domestic use will be needed this winter in order to prevent a slow-down in operations. Even with all the plans in mind, a power shortage in some areas is anticipated unless material shortages slow war production.

Power Corp. Group Reports Larger Output

From Our Own Correspondent

MONTREAL.—Power Corporation of Canada's controlled and affiliated companies report a power output in May of 231.6 million kw.h. This contrasts with 226.6 million kw.h. for the same month last year, an increase of 2.21%.

Comparative figures for the companies are as follows:

(In Kilowatt Hours)

	May 1942	May 1941
South. Can. Power	27,051,380	19,857,168
Can. Northern	53,912,651	63,306,932
East Kootenay	10,345,258	9,001,040
B. C. Power	57,161,524	51,203,416
North. B. C. Power	1,645,436	1,219,188
Wpg. Electric	81,481,800	81,995,100
Total	231,598,049	226,582,844

Source Taxation Machine Set Up

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months later his "net" saving available as a credit against minimum saving requirement will be only $100. If a policyholder takes his dividends in cash they too will be deducted from his premium. If he allows them to accumulate they will be credited against his tax liability up to the amount allowed by the act.

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U. S. Order May Block Bikes Here

Dependence on U. S. for Parts Brings New Important Problem

OTTAWA. — Decision of Donald Nelson to prohibit manufacture of bicycles in the United States probably means that there will be no more bicycles manufactured in Canada "for the duration."

No decision has been reached in Canada (so far as can be learned) but the dependence of Canada on the U. S. for parts would seem to indicate that the earlier plan to manufacture 150,000 bikes in Canada this year will not be realized.

So far as manufacturers here are concerned, they have been advised of no change in the plan to produce 150,000 bicycles.

Of special interest to Canada is some of the reasoning behind the U. S. decision.

Apparently it was based on an argument put forward by rubber experts that the use of rubber for bicycles was not so economical as the use of the same rubber in manufacture of automobile tires.

Two Ounces for Auto Tire?

Strange as it may seem, the "experts" argued that a motor car tire capable of running 10,000 to 13,000 miles could be made from reclaimed rubber with the use of only two ounces of crude. Thus for the expenditure of eight ounces of precious crude rubber, a complete set of tires could be made which would carry four or five persons some 10,000 miles.

A bicycle tire, on the contrary now requires four ounces of crude rubber and might be cut to two ounces. But the use of four ounces of crude for two bicycle tires would give only 3,000 to 3,500 miles of "fair weather" transportation for only one person.

This gives a "ratio" of 6.2 to 1 in favor of the use of crude for passenger tires if any crude is to be released for personal transportation. At present Canada releases no crude rubber for personal transportation.

One curious anomaly about the U. S. situation is that just when the order has gone out from W.P.B. banning further manufacture of bicycles, another branch of government is setting up an elaborate organization to ration these machines.

Company Reports

Can. Vickers

Sharply increased volume of war work finds reflection in Canadian Vickers Ltd. financial statement for the year ended Feb. 28, 1942. Operating profit of nearly $4.3 millions was nearly 3½ times that reported in the preceding year and the largest in more than a decade. Over 50% of the income had to be reserved for income taxes. Net profit of $800,098 was equivalent to $40 a share on the preferred and $12.45 on the common stock. In the preceding year $18.63 and $4.39 a share was earned on the preferred and common, respectively.

Balance sheet reflects the expansion in business. Work in progress at the end of the year totalled $16 millions, a gain of $6.5 millions over that reported a year ago. All current items are considerably larger.

Years Ended Feb. 28	1942 $	1941 $
Operating profit	4,391,578	1,262,736
Less: Directors' fees	4,700	3,325
Depreciation	742,522	592,774
Interest	171,360	162,312
Income & E. P. tax	2,300,000	
Reserve	375,000	133,773
Add: Other inc., net	2,102	2,080
Net profit	800,098	372,632
Less: Prev. deficit	1,248,550	1,598,326
Tax for 1940-41	131,725	......
Net adjustments	21,276	22,856
Deficit forward	601,453	1,248,550
Earned per share:		
Preferred	$40.00	$18.63
Common	12.45	4.39
Working capital	2,194,808	1,411,130
Balance Sheet Changes	$	$
Work in progress	16,016,228	9,511,848
Accounts receivable	3,283,384	1,543,008
Inventories	2,335,480	709,097
Bank loans	985,587	325,849
Accts. payable	2,349,785	1,472,228
Fixed assets	7,457,107	6,951,940
Less: Depreciation	3,579,908	3,000,692

C. P. R. Income Levelling Off

Gross Revenue Advances But Gain Offset by Higher Expenses

MONTREAL. — President D. C. Coleman's forecast at the annual meeting that net earnings of the Canadian Pacific Railway would tend to ease off, though gross income would increase, is borne out by the May returns.

Gross income last May of $21.5 millions was $2.2 millions greater than a year ago. All of this increase with the exception of $51,741 was absorbed by larger working expenses, leaving net earnings at $4.2 millions.

Cumulative returns at the end of May last show gross income of $98.8 millions, or $18.4 millions above that for the like period of 1941. Working expenses increased $16.5 millions to $82 millions, leaving net earnings of $17.8 millions, or nearly $2 millions greater than in the first five months of 1941.

May	1942 $	1941 $
Gross income	21,582,075	19,270,671
Work. expenses	17,288,515	15,094,852
Net earnings	4,293,560	4,181,819
Five Months Ended May	**1942** $	**1941** $
Gross income	99,788,426	81,344,121
Work. expenses	82,014,708	65,492,731
Net earnings	17,773,718	15,851,390

Obituaries

Robert Cassels, aged 68, at Toronto, former president Toronto Stock Exchange and later a partner in A. E. Pierce & Co., New York.

R. J. Magor, aged 59, at Montreal, president National Steel Car Corp., chairman Magor Car Corp., director Canadian Arena Co., Barclays Bank (Canada), Canadian Associated Aircraft.

R. B. Sainthill, aged 54, at Toronto, president Sainthill-Levine & Co. of Toronto.

The War and Business . . .

Kill This Rumor

Recently going the rounds has been the story that Air Force gasoline has been getting into improper hands; that plane tanks are drained to prevent gasoline condensation after a flight and that the gasoline is then thrown away.

The truth, The Financial Post is told, is that high octane aviation gasoline will cause trouble if used in most automobiles. Also that plane tanks are filled to the brim to get rid of condensation, not drained. The only drainage that takes place appears to be when traps on the fuel line where water and other impurities collect are cleaned out. This impure gas is, of course, thrown away.

* * *

Income Tax Problem

An acute income tax problem is worrying older salaried men with peacetime industries that may be forced to suspend operations abruptly as a result of shortage of raw materials. If these industries shut down then their employees are out of a job and in the case of the older men it may be difficult to find other employment.

Most of them are far too old for the army and the majority may also experience difficulty in getting themselves absorbed into war work, because they lack special skill. With their salaries gone then they face the problem of paying new and heavy income taxes on that portion of this year's salary earned before their income ceased.

It is the eight months lag—Jan. 1 to Sept. 1—before income tax will be deducted as income is earned that creates the crisis. It is freely predicted that this situation may result in large arrears in income tax before very long.

* * *

Cocoa Supplies Dwindle

Cocoa and chocolate supplies are causing candy and confectionery manufacturers a lot of worry these days. Imports would normally come largely from Africa but authorities so far are understood to have refused to permit return loads of cocoa beans in ships delivering war materials to African ports. Alternative sources of supply are Brazil and Trinidad chiefly. Brazil supplies high grade beans used for their flavor characteristics in blending. Trinidad beans are inferior. Shipments from both countries are uncertain and limited. As a result of practically no current receipts, stocks in Canada are running short.

At the same time military authorities are purchasing huge quantities of chocolate to go overseas, often to the very ports from which cocoa beans are regularly shipped in large quantities. These shipments have to come out of Canada's limited inventories.

* * *

Candy Taxes

Candy makers take exception to the methods used in assessing the new 30% tax on their products. The way it works it is inevitable that someone makes a little money on the tax although this is expressly forbidden. On chocolate bars, for example, the tax works out at between 22 and 23 cents a box of two dozen bars at the 30% rate. This is a little less than a cent a bar, which is the amount by which the Wartime Prices and Trade Board has ruled that chocolate bar prices may be increased. The result is that the buyer pays a little more than the actual amount of the new tax. Candy makers took an unusual step in asking Ottawa to raise the tax enough to make it an even cent a bar but without success.

* * *

Mortgage Payment Hitch

Swing of large areas of western Canada to livestock may complicate mortgage payments and rentals in some cases. Often agreements call for delivery of a fixed portion of the grain crop sold. If under the new type of war agriculture a man has largely switched from wheat to coarse grains and the latter are fed to hogs and other livestock, then there may be only a few hundred bushels of grain sold or perhaps none at all.

* * *

Postwar Priority

A new incentive for buying war bonds is under consideration in the United States, although whether it will be actually adopted or not is not yet clear. The plan would be to sell "earmarked bonds," which would give the owners a priority right to purchase certain specified goods after the war though with no guarantee of price. Thus any holder of these new bonds would have a first right to purchase say a refrigerator or a car and any other of the consumer goods that have been out of production during the war.

* * *

Mixed Farming Boom

And speaking of war changes in Western agriculture, already there are indications that urban centres on the prairies are beginning to reflect these changes. In contrast to the purely wheat areas where the tendency is for the farms to get larger and the towns smaller, a larger population and new industries are required where mixed farming is spreading.

Dairy cattle and hogs require special buildings, special equipment and some special concentrated feed and minerals not produced locally. The new livestock boom has resulted in sales of millions of feet of B. C. lumber, new butter factories, additions to packing plants and completely new lines of barn and stabling equipment. It has also meant farm income spread over practically every month of the year.

* * *

U. S. Ships

United States yards are now turning out ships faster than the enemy are sinking American vessels, according to Rear Admiral Howard L. Vickery, vice-chairman of the U. S. Maritime Commission. Admiral Vickery added, however, that the production for the United Nations as a whole does not equal sinkings.

For the second successive month American shipyards have established a world record for the production of steel cargo vessels, delivering a total dead weight tonnage of almost 750,000 in June as compared with 632,000 in May. The best previous record was made shortly after the first Great War when slightly under 620,000 tons were produced in a single month. For the first six months of this year a total of 228 ships, total dead weight tonnage of over 2.5 millions have been put into production. Something around 400,000 tons of steel plate a month is now being used by American shipyards.

* * *

More Car Breakdowns

Since the beginning of July observers report two changes along main highways in Eastern Canada—more cars on weekends and more breakdowns of these same cars.

Apparently many city people have been saving cars, tires and gas coupons for the annual holiday, and this accounts for traffic almost reminiscent of those far off pre-rationing days of last summer.

But while all of these people apparently have saved gasoline enough to take the family to the summer cottage, in many cases tires and engines are unable to fulfill their end of the bargain without frequent roadside repairs. Incidentally by the middle of the summer old cars are expected to be going out of circulation at the rate of thousands weekly in Canada and chiefly on account of failing tires.

Retailers Hit Stamp Taxes

(Continued from page 1)

the way for errors. In checking the sales slips for record purposes it is a comparatively simple matter to include the tax along with the actual sales price, thus throwing the books out of balance. The same error is possible in the direct sale with the clerk ringing up the total of sale price plus tax when only the sale price should be recorded.

Exchanges a Problem

On refunds and exchanges the problem is particularly knotty. Only way out here is seen to be returning the sales price to the customer and then applying to Ottawa for a return of the tax. The cumbersome nature of this procedure is obviously costly.

Less obvious is the fact that the stamps represent cash tied up and unusable. The amount of stamps that must be held in stock by every retailer varies with the size of his turnover—from a few dollars with the small man to thousands of dollars for the larger outlets. In every case it is real money that has to be frozen in stamp inventory.

Dishonesty Possible

Retailers point out that this method of collecting taxes leaves the door wide open for dishonest practices. In Canada there are thousands of small retailers, many of whom keep no adequate bookkeeping system or give sales slips. To police this continent-wide group would be an impossible task. While the great majority of Canadian retailers will strive to live up to the letter of the law, there is a wide loophole left for the dishonest dealer to cheat on his taxes knowing that his very smallness and lack of records make it very unlikely he will be caught.

Experience has shown that a high percentage of customers in retail stores do not retain their sales slips. With this the case there is nothing to prevent a dishonest sales clerk from collecting the sales slips, selling the stamps over again and pocketing the difference.

From the buyer's point of view the fact that certain items are exempt from taxation below a certain selling price opens a way to get around paying the extra 25% tax. For instance, cut glass items and articles of china and porcelain below 50 cents, fountain pens, pencils, desk sets and desk accessories selling below $1 are exempt from taxation. Above those retail prices the 25% tax is imposed. There is nothing on the books to prevent splitting purchases so that all the various items making up a set could be bought individually at a price low enough for tax exemption and the whole set made up piece by piece without the tax being paid.

Most retailers agree that in wartime there should be a tax on luxuries despite the fact that such a levy hurts their business. They protest, however, that the new taxes not only discriminate between different retailers because of varying methods of record keeping and standards of business ethics, but that they are also discriminatory in their selection of "luxury goods."

What is a "Luxury?"

They point out that an alarm clock is not a luxury to a working man, a brief case or fountain pen is not a luxury to a businessman, a suitcase is not a luxury to a traveller. Yet all these goods are now taxable as luxury articles. Retailers note that a person can buy jewellery and must pay 25% tax but can still purchase a painting tax free. They ask, which of these is the greater luxury? A woman who needs even a low-priced handbag must pay 25% extra, but she can buy expensive, luxurious linen without the new impost.

If "luxury" taxes are to be levied at all, the retailers suggest two alternatives that would help to solve the present disruption. Method they would like best is to have the tax applied at the source. This way the tax would be imposed on the wholesale price with the manufacturer's price to the retailer being increased by the amount of the tax. Retailers declare that this would mean a more efficient system of tax gathering as it would mean collecting from hundreds of manufacturers rather than thousands of retailers; it would merely extend use of the machinery which manufacturers already have in operation for the payment of sales tax. Checking of the manufacturers' records would be much easier than keeping watch over all the small retailers.

Get Rid of Stamps

Alternative suggestion being made by the retailers is that they be allowed to remark all their merchandise in the taxable classes and include the tax in the price of the merchandise asked from the consumer. As part of this recommendation it is also suggested that the retail organizations be allowed to dispense with the use of stamps, making monthly returns to the Department of National Revenue on the taxable items.

Investment Notes

Maritime Telegraph & Telephone Co.'s chain of new records continues unbroken. At the end of May the company had installed 53,688 stations, a net increase during the month of 293. This is an all-time record. Long distance traffic handled in the same month of 189,058 completed calls showed an increase of 19,468 calls over May last year, a gain of 11.5%.

* * *

Increase in the excise duty on spirits from $7 to $9 a gallon will unquestionably affect the sales position and earnings of Distillers Corp.-Seagrams and Canadian Industrial Alcohol. Moreover the budget provides that if provincial revenues are affected, the provinces have the right to raise their prices or taxes on liquor sold through commission stores. Between the two it is difficult to conceive of the liquor companies not being affected. Added to this problem the lower spending power of the average citizen will in turn limit his purchases of alcoholic spirits.

In the case of Distillers-Seagrams, its position might be worse. The larger part of its sales are in the United States. Only a small amount of its business is done in Canada, so that the new taxation may have less adverse effect than might be thought at first glance of the budget.

* * *

Borrowings of Toronto Stock Exchange members as at the end of June, 1942, totalled $8.3 millions, a decrease of $358,042 from May and $1.4 million lower than June, 1941. At the same time, quoted market value of all listed stocks as at June 30, 1942, totalled $3,263.1 millions, a decrease of $25.9 millions from May 30. Ratio of borrowings to quoted market values amounted to .26 of 1% which is unchanged from the end of May and compared with .27 of 1% in June, 1941.

Weekly Record of Financing in Canada

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

Municipal—	Date Issued	—Sold to—	Rate	Due	Amount	Price	Yield
New Glasgow, N.S.	June	Royal Bank	3½%	1943-60	$50,000	100.91	.....
Hamilton, Ont.	June	Bank of Montreal	2½%	1943 47	202,954	101.01	.....
Dominion—							
Canada Treasury Bills	July		....	Oct. 2, '42	45,000,000	99.866	.538%

OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

Bond Issues—	Date Issued	Offered by	Rate	Due	Amount	Price	Yield
Northwestern Utilities	July	Nesbitt, Thomson & Co.	4½%	1959	$650,000	98	4.67%

Sugar Bonus For Canada Unlikely

(Continued from page 1)

inequitable ration plans and the "backing up" of supplies at warehouses, factory points, etc. But the Canadian view is that every pound of sugar that can be saved is that much smaller a burden on transport facilities in sub-infested waters.

Although no official figures are available or can be quoted, Canada's sugar rationing to-date is believed to have saved at least 20% possibly more. The showing would have been better had not Canadians gone on mild buying sprees prior to the voluntary rationing in January and again before the coupon rationing on July 1. Now that coupon rationing is under way, the saving is expected to be larger despite generous allowances to housewives for canning and preserving.

July consumption will probably be heavy but a saving of at least 30% is hoped for. This would parallel closely the percentage cut to industrial users.

Use of sugar by industry will not be held exactly to the 70% mark because of provision whereby heavy crops of vegetables, fruits, etc. can be put down by industrial users even if the sugar needed exceeds the 70% quota. Sugar for the big 1942 crop of peas is a case in point.

Expectation in the U. S. is that the government will declare a "bonus" during September and October by lifting the industrial quota in those two months from 70 to 80%. Hotels and other large users may be upped from 50 to 75%.

Woodpulp Stocks In U. S. Advance

Slowing Down of Conversion Operations Adds to Pulp Supplies

From Our Own Correspondent

MONTREAL. — Stocks of purchased wood pulp held by American mills, both at mills and at docks, continue to increase.

Stocks at mills reporting to the American Paper & Pulp Association on June 1 amounted to 213,000 tons. This compares with 207,000 tons on May 1 and 198,000 tons on March 1.

Part of this increase in stocks is attributed to reduced consumption of paper mills which during May operated at 95% of capacity compared with 100% during the previous month.

HOLD HIGH THE TORCH OF FREEDOM

A VAST ARMY OF DEPOSITORS
Serving Our Country

Our customers have more than a million deposit accounts, through which they use the Bank for protecting their savings and commercial funds, paying their obligations and generally financing their business. Thus the Bank serves a great army of citizens who in turn are serving Canada in a multitude of peace-time and war-time activities.

The influence on the country's destiny of this army of thrifty citizens is beyond estimation. The Bank is proud to serve and co-operate with them.

BANK OF MONTREAL
"A Bank Where Small Accounts Are Welcome"
Modern, Experienced Banking Service . . . *the Outcome of 124 Years' Successful Operation*
A164

Dominion Coal Output Off Sharply

From Our Own Correspondent

MONTREAL.—Output of Dominion Coal Co.'s ten Cape Breton collieries underwent a sharp drop in June. Production totalled 254,253 tons during the 30-day period, a drop of 80,000 tons from that reported in the preceding month.

Restricted operations at the pits resulting from transportation difficulties was the chief reason given for the sharp decline.

Stores May Close For Harvest Rush

By STAFF WRITER

OTTAWA.—Critical situation in farm labour, which has already brought promise of releasing men from armed forces for harvesting, is expected to result in closing western retail stores during the same period.

Currently under discussion is a plan to close retail outlets five days a week during the peak of the harvest rush, releasing store clerks for work in the fields. The plan was tried in the last war with favorable results.

Blitz Rationing Machine Readies Permanent Plan

(Continued from page 1)

10 short days prior to July 1. The distribution of ration cards, without queues or delay of any sort, is now in the neighborhood of 90% complete. In Ottawa, for example, the number of cards distributed looks like a perfect score and adds up actually to 104% of the 1941 census figure due to the expansion of the city's population since that date.

Mr. Millen is an expert in pinching pennies. He believes that a wartime ration plan for Canada can be achieved at a cost of somewhere between $750,000 and $1 million a year. Canada's temporary ration cards (for example) were printed at a figure roughly one-twentieth of the proportionate cost of the same job when it was done in the United States. Mr. Millen's estimate of the cost of handling the temporary coupon and running a permanent system for a year is also about one twentieth of what it was originally estimated Canada would have to pay to put sugar rationing into effect.

Women Get Credit

Major share of the credit for the sugar coupon blitz goes unquestionably to Canadian women. Their's was the job not only of transcribing over 10 million names from application cards to coupons within four days, but also of pinch-hitting wherever a mushroom organization, that had suddenly sprouted from 106 regional centres in Canada, needed support.

This job was in the hands of Byrne Hope Sanders, director of the Consumer Branch of the Wartime Prices and Trade Board. The response to the demands made by her on women in every part of Canada is easily the highlight of voluntary effort in the war to date. The concrete evidence of what Canadian women can and will do on a nation-wide scale when given an opportunity has left a very deep impression on Canada's male war leaders and hard-bitten business executives.

Racketeers Streamline Operations To Cash in on War Conditions

By IAN SCLANDERS

Unloading worthless pictures is the latest dodge of those who are constantly seeking new ways to turn some easy dollars and who consider wartime, with increased spending power burning the pockets of a large section of the population, a propitious harvest time.

Here are a few samples of the wartime racket crop:

The public knows that there are many refugees in Canada, and that some of them probably brought heirlooms of great value from Europe. The picture racket cashes in on this fact. The salesman either claims that he is acting for, or is, a refugee who is financially strapped and willing to sacrifice his most priceless possession—an old master—for a song.

If you're not in the market for art, he'll probably ask you to keep the painting for security and lend him some money. Don't!

Racketeers follow trends and conditions closely, mold their schemes accordingly, Better Business Bureau officials say.

War Charities Racket

These officials point out that while war charities are carefully regulated in Canada, this hasn't stopped shady individuals going from house to house soliciting for non-existent funds or passing themselves off as canvassers for legitimate charitable organizations.

For every citizen who makes a complaint, many are victimized without realizing it.

Some fly-by-night "advertising salesmen" high-pressure businessmen into taking space in worthless mediums, often making out that programmes, booklets and so forth are in some way or other linked up with the armed forces, or have the backing of the government.

"Influence at Ottawa"

Another wartime racket is based on the fact that a few businesses want war orders badly, while some unable to adapt their plants for war production, are desperate for materials that will enable them to keep operating.

In the case of the former, the sharpster offers to use his "influence" at Ottawa to obtain contracts, while with the latter he offers to use this "influence" to obtain materials.

Some men who received money on the strength of promises to get government contracts for business firms have been prosecuted and convicted. Federal authorities are watching this racket closely but it is difficult to catch the criminals. This is because the man who falls for this dodge becomes, in a sense, a party to the crime. The chances are he is told that the money he gives the racketeer will be paid out to "fix" a third party.

All business has felt the impact of price control, including merchants who used high-pressure methods to sell cheap, inferior goods. Unable to get away with this any more at business places—at least without running a big risk—they have taken to doing business from private homes.

According to the Better Business Bureau, they insert classified advertising in the newspapers announcing that a "private party" will "sell at sacrifice" a new chesterfield suite, or some other kind of merchandise. The prospective customer, who examines the chesterfield suite, is not shown the six others out in the garage.

It is hard to sift these individuals from legitimate "private parties" who want to sell through the classified columns. The great proportion of classified advertising is done by honest people. But, if you go out to buy something at a private home, it's just as well to be on your guard.

Fraudulent Stocks

There's a lull right now in fraudulent stock schemes, but such schemes, like the poor, are usually with us. New wartime rackets may be tried quite possibly based on phony synthetic rubber companies, substitutes for metal, etc. Don't be taken in—the government hears of the good processes first, and if Ottawa won't back a scheme it's not likely these days to be much good.

The Book Peddlers

There are a number of reputable firms with reputable salesmen selling worthwhile books direct to Canadian families, but taking advantage of public confidence built up by legitimate business, some of these peddlers have been stopping children on their way to school, offering them pencil boxes and other rewards for filling out cards which asked details about their families.

Armed with this information, the peddlers have approached parents, making out that they were personally interested in the progress of the "dear kiddies," and perhaps intimating that they had some association with school authorities. This would lead to a pep talk about a certain set of books without which Junior couldn't posibly keep up with his classmates or succeed in the world. Many parents signed on the dotted line, to find later that the books were very poor but that there was no way of getting out of the contract.

"Something for Nothing"

Another dodge used by book peddlers, old but still effective, has been revived in Canada. The peddler approaches the prospect and announces that a certain number of sets of a new reference book are going to be placed with people in different occupations, "to establish a diversified list of local owners."

Those who are selected for the "gifts," the peddler goes on, will be asked to "give their opinion of the many advantages obtained through the use of the set."

The flattered victim thinks the book firm wants to give him a set of books in exchange for a recommendation. He fills in a card which the peddler takes away after telling the prospect the final decision is up to the publishers.

A couple of days later, the peddler bounces back. "Lucky fellow, you've been chosen. You're going to get this wonderful set of books absolutely free. And now there is just one detail. . ."

It turns out that the detail is to sign a contract to take for 10 years an encyclopedia revision service—just so the set can be kept up to date, of course. The revision service costs $69.50, $9.50 to be paid with the order, $5 on delivery of the books, and $5 a month until the whole sum is paid. There is also a small charge of $1.50 a year to cover "delivery" of the revision service.

The encyclopedia game is a good one to watch. An encyclopedia sold by house-to-house peddlers for $75 retailed a few months later in stores, under another name, at $12.95.

We Want Your Opinion

One book "society" has given itself a name which suggests it makes public opinion polls, and sent out cards telling prospects their opinion on certain matters is sought, and that an interviewer will call.

This opens the door, and the interviewer turns out to be a high-pressure book peddler. The matters on which an opinion is sought are books.

HOW THE INCOME TAX HAS GROWN

Married person—two dependents
Earned income up to $30,000 and investment income thereafter

Income	1938	1939	1940	1941	1942, including refundable portions
$ 1,500	....	....	$ 7	$ 25	$ 49
2,000	....	....	12	42	213
3,000	$ 9	$ 10	75	182	668
5,000	118	134	381	672	1,662
10,000	660	748	1,833	2,572	4,546
15,000	1,579	1,790	3,931	4,996	7,713
20,000	2,945	3,347	6,259	7,602	11,063
30,000	6,499	7,384	11,265	13,183	18,230
50,000	14,635	16,643	22,534	25,690	34,337
100,000	39,524	44,973	54,560	59,811	78,771

This Week The Financial Post Asks

Will new income taxes cut non-essential expenditures only, or basic necessities?

Adam Beck

Chairman, Winnipeg School Board, Winnipeg, Man.

In my opinion there will be a buying spree until deductions are made from the wage envelopes on Sept. 1, after which there will be a drastic falling off in non-essential purchases. Basic necessities will be very little affected as automobile and other forms of transportation, for instance, will be greatly reduced and this saving will find its way into commodity purchasing.

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J. T. Bryden

Assistant treasurer, North American Life Assurance Co.

The situation of individual persons varies to such an extent that any generalization is apt to be misleading. In some cases the new income taxes, including the compulsory savings, will serve to cut down non-essential spending but will not cut it out. In other cases the new taxes will force a real reduction in the standard of living but I think it would be a rare case where basic necessities would have to be curtailed, if by basic necessities is meant food, shelter and clothing. Canadians as a whole will still have a large surplus of spendable income but that surplus will be more and more in the hands of the industrial wage earner and the farmer.

There still is a tremendous job to be done through voluntary savings if inflation is to be checked and government financial requirements met, and it will be up to the wage earner and the farmer to assume a larger share of the additional savings necessary. The point that needs to be stressed again and again is that income tax and compulsory savings is no substitute for other forms of saving.

• • •

J. E. Cadieux

President, L. N. Messier Ltée., department store, Montreal.

New income taxes will reduce expenditures mainly for non-essential things. Luxuries will also be considerably affected, but I do not believe that a great decrease of sales will result as far as foods and clothing are concerned.

The 20% of taxes paid which the government will remit after the war is in my opinion a well-thought principle of economy which should be highly appreciated by the general public in years following the conflict.

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C. V. Charters

Managing Director, Canadian Weekly Newspapers Association, Toronto.

While the new income taxes as imposed in the recent budget will necessitate Canadians tightening their belts and curbing expenditures generally, I feel certain that by careful rebudgeting of the household finances, and curtailment of many non-essential expenses, few if any will be required to sacrifice the basic necessities of life to meet their 1942 tax obligation.

To reduce one's standard of living is neither easy nor pleasant; furthermore we are apt to mistake non-essentials as necessities, having enjoyed such a higher standard of living for so long. I have faith, however, that when Canadians are put to the test, they will prove that in the interest of the war effort and their own ultimate advantage, they can bear this additional burden.

It is unfortunate, however, that the taxpayers have only six months of the 1942 taxable period in which to readjust their budgets and meet this new tax which dates back to the beginning of the year. The retroactive aspect of the situation may prove quite serious in some cases, particularly where taxpayers are already experiencing a reduced income.

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Dr. L. DeV. Chipman

Medical specialist, Saint John, N.B.

It is impossible to get any adequate tax which does not affect all industry to some extent. I think the present tax will affect the purchase of non-essentials far more than basic necessities especially where incomes have increased since war.

• • •

J. M. Gilchrist

Vice-president, Searle Grain Co., Winnipeg.

It is difficult to differentiate between non-essentials and basic necessities, as items considered in the luxury class a few years ago are often deemed essential to a reasonable mode of life today.

I think the new taxes will certainly reduce standards of living and drastically curtail most of the luxury expenditures as well as those for entertainment, travel, clothing, etc., but will still allow for the purchase of basic necessities provided the price ceiling is strictly maintained.

Purchase of new insurance contracts will be materially restricted if premiums on new business are not allowed as a deduction from compulsory savings.

The allowance for a married man as compared with single persons would appear to be quite low and does not seem on an equitable basis.

• • •

J. Gerald Godsoe

President, Canadian Club of Toronto, and assistant general manager, Confederation Life Association.

The new income taxes as intended will serve to curb non-essential expenditures in the main. However, there is bound to be a curtailment also in what some of us may have regarded as the necessaries of living. This is unavoidable where the tax is so high.

More than a few families who never before contemplated a budget are now going to find themselves learning a lot about this subject. For one thing the quantity of the necessaries enjoyed will suffer. The pleasures of the table will be simplified and more attention paid to the protective foods. Clothing as such is an essential but not so in unnecessary quantities. Milady and her husband will have to curtail on this, although rationing is probably the only real answer here. Fuel, electricity and rents will also provide a new-found interest for many.

War is a tremendous redistributor of wealth and income. The national income still left in the hands of the public after the new income taxes is approximately the same as that left in their hands in 1938. The difference, however, is that this is now left in the hands of a new public. The man with the fixed income, especially the man with previous commitments, must make drastic and substantial changes in his way of living, including the necessaries. The new income taxpayer is still left with enough to provide the necessaries of living without curtailment.

• • •

H. T. Halliwell

Editor, Coleman Journal, Coleman, Alta.

New income taxes will undoubtedly curtail not only non-essentials but purchase of essentials. With the great majority of working people now earning higher wages there will be so many deductions by way of taxes and compulsory savings that it is bound to materially reduce purchasing power.

Housewives will have to be much more careful in budgeting household purchases. A brief survey indicates that they will curtail or even cease buying certain articles which though performing regular items of household diet, can be dispensed with without hardship under wartime economy.

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Cameron R. McIntosh

Publisher and proprietor, The News, North Battleford, Sask.

The new income taxes definitely cut deeply into non-essential expenditures—outlays not indispensable to war survival. That was the government intention in its far reaching budgetary levies.

The imposts fall heavily on gallivanting pleasure seekers, previously little molested. Many Canadians will go by foot, buggy, wagon, bicycle or second-hand car, till democracy triumphs.

All luxuries are hit hard.

Basic necessities will also be affected seriously since no nation of 11 million can be taxed $2,000 millions without reducing the living standard considerably. Less foodstuffs and staples will be purchased. That is but part of the price assuring victory rather than defeat and freedom based on plain living and high thinking instead of chains and slavery.

• • •

Dr. Fred W. Routley

National Commissioner, Canadian Red Cross Society, Toronto.

The new income taxes will only cut basic necessities under certain extraordinary conditions. These conditions particularly apply to elderly people and those in whose homes there is chronic illness or invalidism. While certain expenses connected with illness are deductible from income taxes, the cost of help required for invalids and the aged in order that they may live in reasonable comfort in their own homes will be too great a financial burden for thousands of people in Canada.

• • •

Mackenzie Williams

Director, Investment Research, Corporate Investors, Ltd., Toronto.

New income taxes cannot be considered entirely alone. Corporation taxes will in some cases reduce distribution to shareholders. Unquestionably personal income taxes will greatly curtail expenditures on non-essentials and will thus be effective. Taxes are two-edged. Plenty of personal plans for increasing production will be adversely affected.

Personal holdings of war loans are being reduced to meet obligations. I am concerned in that the new income taxes will accentuate the difficulties of former large individual buyers. This will necessitate a still greater perfection in planning new loans.

Haven't taxes reached the point of diminishing returns?

When replies run longer than as requested, and space requirements necessitate, The Financial Post exercises the privilege of condensing them.

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The CANADIAN **Fairbanks-Morse** COMPANY Limited

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FACTORY: SHERBROOKE, QUE.

Front Seat for Canada In United War Councils?

OTTAWA.—No matter how the contentious, long-drawn diplomatic controversy over munition assignments is settled, Canada is expected to press vigorously for top-level representation on the new Combined Food Board established a few weeks ago by Britain and the U. S.

At the moment, prospects for representation by Canada on either the Food Board or the Munitions Assignment Board look slim.

To date, Canada has been left out of top-level representation in all six joint bodies set-up by Britain and the United States for pooling resources, production, shipping, foods and overall war strategy. The bodies now set up by the two countries are as follows:

Combined Chiefs of Staff.
Joint Production Council.
Combined Raw Materials Board.
Combined Shipping Adjustment Board.
Munitions Assignment Board.
Combined Food Board.

Three With Surplus

Because this country is the only nation (apart from Britain and the United States) which has an export surplus of war munitions, representations were made by Canada to have the Munitions Assignment Board enlarged to a three-man body.

Involved in the discussion at various times in the past two months have been President Roosevelt and Prime Minister King; Hon. J. L. Ilsley, Hon. C. D. Howe, Harry L. Hopkins and other top ranking leaders.

But the plan has never quite "come off," in fact, has bogged down all along the line. Latest reports say it has "stuck" now at a very high level.

The plan is said to have met with opposition at Washington because of unwillingness to enlarge a unit which is already said to be working harmonously between Britain and the United States. There has also been some opposition within governmental departments in Canada. Even in Ottawa there is divided opinion as to whether the move would or would not strengthen Canada's present "civilian" procurement organization.

Press Food Issue

No matter what the eventual outcome of this country's bid for direct representation in the allocation of munitions of war once they are produced, there is almost certain to be a determined drive to obtain top-level representation for Canada on the Combined Food Board.

Already, Prime Minister King has hinted publicly that Canada should have such representation. Answering a query by Hon. R. B. Hanson in the House of Commons on June 11, he made it quite plain that he favored direct Canadian participation in a matter which involves Canadian agriculture to the extent of at least one third of a billion dollars annually. The interchanges on June 11 ended in this manner:

Mr. Hanson: ". . . inasmuch as our food and munitions production has advanced from the low gear to the second gear stage . . . are we to be left with respect to these joint boards with representation by a citizen of the United States, no matter how eminent or capable he may be? Surely Canada has arrived at the stature of a nation and if there is to be representation it should be by a representative of this government.

"I am sure the Prime Minister will agree with that and insist upon that position."

Prime Minister King: "I certainly do not take any exception to what my Hon. friend the leader of the opposition has said, . . . I have no doubt . . . that we shall be able to effect some arrangement in connection wtih food production along the line indicated by my Hon. friend."

If Canada fails to get the top level representation in either the food or assignment bodies she would have to be content with having a U.S. official speak for her whenever a matter of high policy is decided between Britain and the U.S. Canada would be represented at the "committee" or "working" level and would approach the supreme authority through Washington rather than through London.

It has been argued that existing Canada-U.S. co-ordination is so effective that there is really little point in Canada being represented directly. This is not the case in regard either to food or the allocation of finished munitions of war. In neither case is there at present a Canada-U. S. joint body similar to the liaison which has been established in regard to munitions production and raw materials.

On the Record

Canadian florists have set up a national advisory committee under chairmanship of E. Simmons, Toronto. Members are: **Paul Angle**, Richmond Hill, Ont., vice-chairman; **Leo J. McKenna**, Montreal; **W. A. Beatty**, Brampton, Ont.; **James Lawrie** and **Silas A. McFadden**, Toronto.

Arthur R. Poole, prices and supply office, Toronto, appointed representative of the W. P. T. B. sub-regional office in Bracebridge.

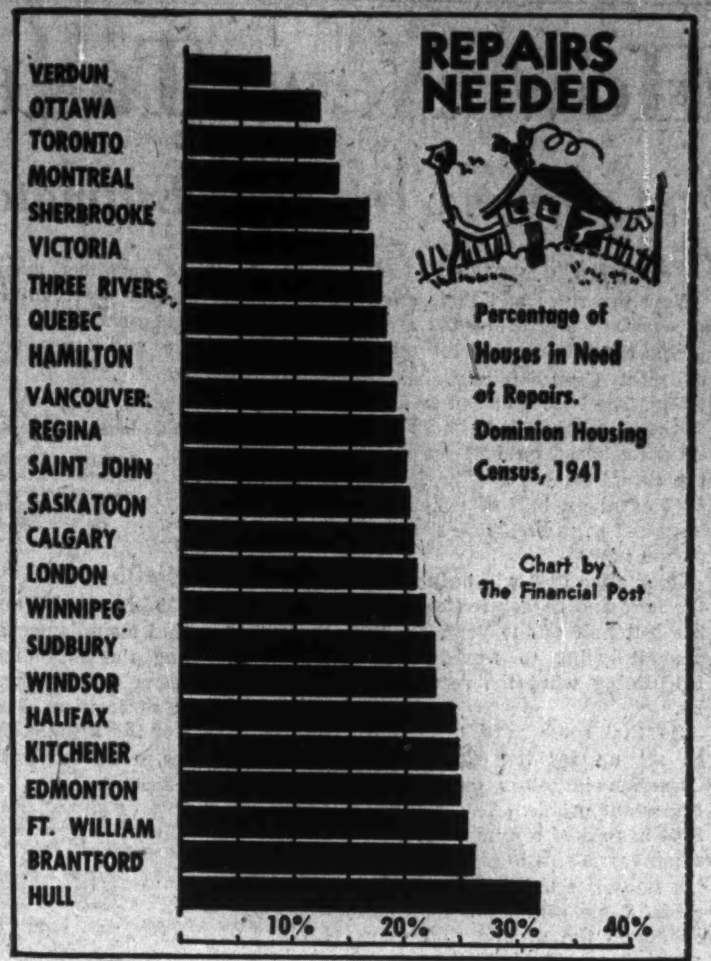
Ian H. Macdonald, general manager, Canadian Daily Newspapers Association, named technical adviser to the publishing, printing and allied trades administration.

J. Eric Cormier, Moncton, appointed provincial officer, rationing division of N. B. regional office.

J. G. Peloquin, Montreal, heads rationing division for Quebec province.

Of each dollar of income tax about 30 cents goes to the army, 30 cents for aid to Britain, 17 cents to the air force, 8 cents to the navy, 15 cents to the building of war plants and other general war costs.

Equipment alone for an armored division costs $30 millions; an 18-ton tank costs $65,000; an anti-tank gun, $7,500.



Percentage of Houses in Need of Repairs. Dominion Housing Census, 1941

Chart by The Financial Post

Adjust Living Cost Index In Tune With War Rations

By STAFF WRITER

OTTAWA. — Adjustment will shortly be made in the cost-of-living index to allow for the fact that important necessaries of life are now being rationed.

The most important items presently affected by rationing are: tires, gasoline, sugar, tea and coffee.

As the index is now compiled, the combined weight of tires, tubes and gasoline and the repair and depreciation of an automobile is just over 4%. Since the index is based on a family expenditure of about $1,400 a year this indicates an outlay of about $56 annually for gasoline, tires and tubes, license, repairs and car depreciation.

Curiously, it has been found that the amount budgeted for gasoline in the official cost of living is not very different from the amount to which ordinary drivers are limited under the old five-gallon unit. But there is no gainsaying the fact that tire bills have been wiped out for the duration and gasoline bills are at least cut in half for most motor car users.

As presently compiled, the index gives a weighting of 2.8% for sugar, tea and coffee combined. Since tea has almost three times as heavy a rating as coffee, the effect of present ration restrictions is to almost cut these three items in half so far as the index is concerned.

The itemized weighting for the various items now materially affected by rationing is as follows:

	%
Granulated sugar	1.21
Yellow sugar	.18
Tea	1.05
Coffee	.37
Gasoline	1.69
Tires and tubes	.24
Repairs (car)	.36

Montreal Plan Further Studied

From Our Own Correspondent

MONTREAL.—Montreal's executive committee is giving further study of the plan to refund $250 millions of the city's funded and floating debt.

To date negotiations have snagged on the method of attaining "adequate and effective" supervision of finances.

Though no official particulars are available, it is understood a tentative plan is being put forward for a three-man Bureau of the Budget, to consist of a director named by the creditors, the chairman of the executive committee and the municipal director of departments.

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Spearhead for War Savings Drive

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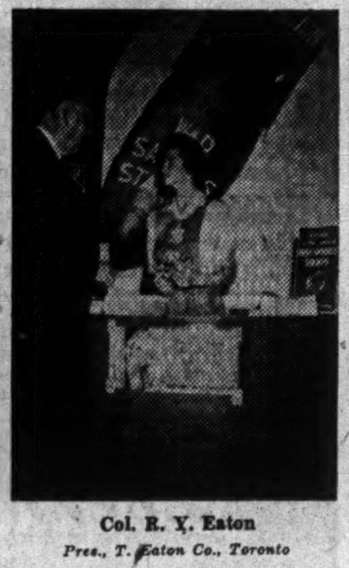
Minister of Finance
E. C. McDonald
Vice-Pres., Metropolitan Life

W. B. Tingle
Director, War Savings Sales, and Imperial Tobacco Ltd.

Chris. Spencer
Pres., David Spencer Ltd., Vancouver



Col. R. Y. Eaton
Pres., T. Eaton Co., Toronto

Spearhead of the forthcoming nation-wide retailers' drive to sell war savings stamps and certificates was forged last week in Ottawa by keymen of the retail trade and the War Finance Committee. Their job: to raise $60 millions this year from Canada's shoppers. Above are shown some of the leaders in the forthcoming campaign.

By STAFF WRITER

OTTAWA.—Leading men in Canadian retailing met here last week to learn at first hand what the government wanted them to do to promote war savings stamps across their counters. They met at the invitation of the National War Finance Committee, just a week after the body blow of the Ilsley budget.

The meeting gave the monetary and fiscal experts a chance to learn at first hand what businessmen were thinking about the new taxes and 1942 plans for bridging the inflationary "gap." Many of those who came were gloomy.

Despite this, Ottawa believes the meeting was an important success.

(1) Because the retailers were given a real opportunity to speak their minds bluntly.

(2) Because Mr. Ilsley made sure they went away with the simple, devastating facts of the country's fiscal plight ringing in their ears. The real results are yet to be seen as retail stores across Canada dig into the job of raising monthly war stamp sales from the present level of $1 million to $5 millions a month.

This new goal of $60 millions a year for war savings stamp sales is one indication that Ottawa is becoming realistic about national war finance. In the retail sales folder recently mailed to thousands of retailers across Canada the stamp sale goal was set at $150 millions annually. This was based on the calculation as to what would happen if six million Canadian wage and salary earners and housewives were to buy 50 cents worth of war savings stamps every week for 50 weeks.

The new $60 millions goal, which retailers thought still too high for general approval, works out at about 2% of gross retail sales.

One important sales lesson gleaned from the meeting was the wide variety of merchandising methods as between chains, independents and department stores, drug, food and specialty industries, etc. Separate approaches are now to be made to each major outlet group with the expectation that the drug trade will lead the procession with a selling drive in August modelled on the lines of a corresponding effort by U. S. drug merchants last May. One of the key speakers at the Ottawa meeting was John McPherrin, editor of American Druggist and general chairman, Drug Council of the Retail Advisory Committee on War Savings.

The meeting featured the first (private) showing of the Miss Canada Stamp Girls who will shortly appear in stores and public places across Canada to merchandise war savings stamps to shoppers, theatregoers, sports fans, etc. (Miss Canada uniforms can be obtained from Ottawa at $1.25 each).

Market Opinions

Way in which stocks have performed in the face of adverse war news is encouraging.

Barron's, N.Y. (The Trader)—Stocks have weathered the gale of adversity on the Egyptian war front because the market is fundamentally immune to adverse war developments. However curious may seem the basis of reasoning, the prophecy is as optimistic as it was in 1918 when Germany seemed to grasp victory. The test has been made and at a time when, by all accepted standards of analysis, market values of stocks are at bargain levels that occur only once or twice in a decade. The tape is telling its own story of better times to come.

• • •

Barron's, N.Y. (The Dow Theorist)—Secondary uptrend confirmed by the railroad stock average is the first one in a year that can unhesitatingly be considered of more than minor proportions under the Dow theory. It is important also because it follows bad military news. Such an advance is essential if a bull market is to get under way. If the rise is followed by a decline in which the averages test, but do not both break, the lows of this spring, and if both indicators then rise to new highs since the spring, the Dow requirements for a major bull market signal will have been fulfilled.

• • •

Journal of Commerce, N.Y.—Since a wartime price rise would benefit corporate earning power to a very limited extent because of prevailing tax policies, and since a deflation of the price level is probable after the war, the mounting threat to the price ceiling furnishes very limited justification for heavy purchases of equities as an "inflation hedge."

Montreal Trams Traffic Up Sharply

MONTREAL.—Traffic handled by Montreal Tramways Co. in the second quarter of 1942 was 24 per cent greater than for the like period last year. In all the company carried 78,039,366 passengers, an increase of 15,115,612 over the second quarter of 1941.

For the first half of the current year passengers carried numbered 154,559,467. This represents an increase of 26,689,964 over returns for the first half of last year.

Big Gain to Date

Total mileage covered by the company's street cars, buses and trolley buses for the three months ended June 30 last was 10,962,932, a gain of 1,656,204 over mileage figures for the second quarter of 1941.

In the first six months of this year the company's vehicles travelled 21,214,417 miles. This represented an increase of 2,634,003 over the mileage figures for the like period a year ago.

Canadian Car Plan Nears

Scheme to Wipe Out Dividend Arrears on Preferred

From Our Own Correspondent

MONTREAL. — Sharp improvement in the value of common shares of Canadian Car & Foundry Co. foreshadows the release before long of the official plan to liquidate arrears of dividends on the preferred stock and pave the way for a dividend on the common.

Arrears of dividends on the preferred now amount to $9.56 a share. The stock carries a cumulative dividend of $1.75 a share, which is being paid currently and is redeemable at $25 a share by the company on the open market.

In the last two years the working capital position of the company has been greatly strengthened, due in part to receipt of payment by the company of claims for plant damages arising out of the last war. Earnings in the fiscal year 1941 were equal to $2.51 a share on the preferred, and 58 cents a share on the common. For the current year they are expected to be substantially better.

Reported Basis of Plan

Though no official information is available as to the plan to wipe out dividend arrears on the preferred, it is understood the scheme will differ very little from that adopted by Canadian Breweries Ltd. The latter company eliminated arrears of dividends of $6.25 a share on its preferred by increasing the dividend rate from $3 to $3.40 per annum and an increase in the redemption price from $40 to $46.75 a share. The increase in dividend was based on 6% of the arrears.

Whether or not Canadian Car will follow this plan in its entirety remains to be seen. One unofficial report is that part of the $9.56 of arrears—$2.25 a share—would be paid in cash. The dividend rate on the preferred would be raised from $1.75 to $2.20 and the call price advanced from $25 to $32. In addition the preferred shareholders would be given the option to purchase common stock.

How New Taxes Hit Earnings

Company Officials Estimate the Effect of Higher Levies

By R. C. STARK

New tax rates and their effect on earnings and dividends are a prime consideration in the minds of most Canadian shareholders today. The best that can be done at the moment is to make a rough estimate based on 1941 earnings; the actual impact will be felt on 1942 earnings, half of which will be taxed at the old rate and half at the new.

Profits for 1942 will only reflect the new and higher tax rates for the last half of the year, an important point to remember in calculating what the result may be.

So that some yardstick might be set up for the guidance of Canadian investors on this all-important problem The Financial Post has asked a number of Canadian companies to estimate their tax liabilities under the new imposts. Some companies have declined on the ground that there are too many uncertainties, others that they do not yet know what their standard profits are. Further replies are expected and will be published when received.

The accompanying tables show how three Canadian companies have estimated the way they will be affected by the new tax levies. These estimates are subject to the possibility of a different interpretation by the income tax department, but in their present form they are of decided interest to shareholders.

Reliance Grain

Reliance Grain has made a three-way estimate showing (1) actual 1941 results; (2) estimated results using 1941 earnings and applying the old tax rate for the first half and the new rate for the second half; and (3) estimated results using 1941 earnings and applying the new tax rate for the full 12 months.

It should be noted that the figures shown here for Reliance Grain are for the company and its Canadian subsidiaries only. Excluded is $62,119 earned by its American subsidiary in 1941.

Net earnings of Reliance Grain Co. and its Canadian subsidiaries for 1941 were approximately $513,000.

Standard profit for Excess Profits Tax calculation has been computed at $300,000.

(1) 1941 results on taxes then in effect:

Net earnings	$513,000
Less: Income tax	92,340
E. P. T.	130,995
Net profit	289,765

(2) 1941 results applying 1941 tax rate on first half of year and new tax rate on second half:

Net earnings	$513,000
Less: Income tax	92,340
E. P. T.	170,778
Net profit	249,882

(3) 1941 results applying new tax rate for entire year:

Net earnings	$513,000
Less: Income tax	92,340
E. P. T.	210,660
Net profit	210,000

Note: Estimated refundable portion of tax under (2) would be $16,300; under (3) $32,600.

Ford Motor of Canada

Ford Motor Co. of Canada shows the effect of the new higher tax rate on its earnings when applied for the full year. Interesting also is its comparison of net profit per share and taxes per share.

	1941 actual $	1941 on new tax basis $
Profit before taxes	5,389,604	5,389,604
Provision for taxes	2,110,000	2,915,000
Net profit	3,279,604	2,474,604
Net profit per share	$1.97	$1.49
Taxes per share	1.27	1.75

Brewers & Distillers

Brewers & Distillers of Vancouver Ltd. makes a similar computation showing the estimated effect of the new taxes when applied over the entire year. The sizeable nature of the refundable portion of excess profits tax payments is also indicated.

	1941 actual $	1941 on new tax basis $
Provision for taxes	310,600	420,600
Net profit	388,388	278,388
Net profit per share	$0.67	$0.48
Ref'dable portn. of tax	......	35,892
Ref'dable portn. per sh.	......	0.06

Bell Telephone of Canada

Bell Telephone Co. of Canada has aroused particularly wide interest over the effect of the new taxes on the $8 dividend rate.

According to the company, if the new tax schedules had been in effect during 1941 Dominion income and excess profits tax would have totalled $7,670,000 instead of the $5.6 millions actually provided. Such a deduction would have left available for dividends $7.14 per share. Actual 1941 net profit was $8.77 a share.

The refundable portion of the tax is estimated at $904,000. This might be classified as a deferred asset but if it were available for dividends it would raise the net to $8.24 per share.

Again it is only fair to point out that the foregoing results cannot be used as a forecast of 1942 earnings as the new schedule of taxes applies to only one half of the profits of the calendar year 1942.

It is the Bell Telephone Co. expectation that the present $8 per share dividend rate will be fully earned for 1942, regardless of the treatment that may be given to the refundable portion of the excess profits tax. Revenue from exchange and long distance service is officially said to be well ahead of 1941.

Individual Problem

It will be noted from the three calculations that after applying the new tax rate for the full year the net profits of Reliance Grain and Brewers & Distillers both would be some 28% less than the actual 1941 showing, Ford would be some 24% less. However, this close approximation in these three cases should not be taken as any rule of thumb in trying to gauge the overall effect of the new taxes.

Access to full details of a company's financial operations is a prerequisite to estimating the possible effects of the new taxes on earnings. To begin with, an outsider is unlikely to know just what a company's standard profit may be. Many companies were depressed during the base period and have obtained, or are seeking, rulings permitting them to establish standard profits on a capital employed basis.

Others have invested substantial amounts of new capital to enlarge facilities for war production. On such investments they are usually allowed special depreciation write-offs which can greatly alter the profit picture.

Many companies approached on the question have replied that they have not yet been advised of their exact tax liability for the past two years. This they use as an excuse for not attempting an official estimate of what the new tax burden might be on the basis of actual 1941 earnings.

Viewing the general picture, it is quite apparent that the new tax schedule is going to take a substantially larger share of earnings. For many companies, however, the cut in earnings will not be sufficiently great to endanger the dividend rate.

Cockshutt Plow

Illustrative of the importance of a company being classed as a depressed industry is afforded by Cockshutt Plow Co. In 1941 Cockshutt had a net profit of $1.55 a share and paid a dividend of 50 cents. A calculation of net profits without giving regard to the special rating as a depressed industry would put earnings well below the 50-cent dividend payment. In an estimate to The Financial Post the Company figures that if the new taxes were applied to 1941 earnings net profit would have been around $1.47 a share, a drop of only eight cents from the actual showing.

Amalgamated Electric

Amalgamated Electric Co. provides a very similar case in which it is estimated that last year's dividend rate will not be endangered by the new tax although such was indicated by a straight calculation. In 1941 Amalgamated earned $1.25 per share and paid 50 cents. The company estimates that under the new tax schedule tax liability would have been increased to around $134,000 instead of the $110,000 provided. This would have left $1.09 a share, covering the dividend by a comfortable margin. Such a showing is attributable to the fact that the company has been granted permission by the Board of Referees to compute its profits on the basis of capital invested.

Simpsons Ltd.

Simpsons Ltd. provides another case of an important company that will take a stiff jolt from the new taxes but still have enough left over to meet regular preferred dividends. Here again, special rulings play an important part in computing the effects of the new tax schedule.

Simpsons preferred calls for a $6.50 annual dividend, a payment that was covered by 1941 earnings of $9.13 a share. Straight calculation would bring earnings under the new taxes to below the $6.50 dividend level. Actually, through special rulings granted some of the subsidiaries, the tax bill would have increased to $1.4 millions from the actual $1.2 million to leave an estimated net profit of $7.37 a share, plenty to cover the dividend.

Mercury Mills

For Mercury Mills Ltd. the new basis of taxation would mean payment of approximately $3,500 more than the total actually paid in 1941. This would leave the company a net profit of $62,123 or 78 cents a share, as compared with the actual result of $65,623 or 82 cents a share.

St. Lawrence Flour

St. Lawrence Flour Mills Ltd. does not figure that the new tax schedule will mean any material change in its total taxes payable. Under the new tax schedule it is estimated that taxes payable based on 1941 earnings would be increased by some $10,000. However, as provincial income taxes have now been cancelled, the net tax would be around $106,000 or approximately the same as paid during 1941. In the fiscal year ended Aug. 31, 1941, St. Lawrence Flour reported a net profit of $2.08 a share compared with dividend payments of $1.50.

The Shareholder

Opinion on stock markets today looks carefully for price declines as a chance for opportune buying levels. Probably this is based on the relatively favorable action of markets following adverse war news. A possibility is seen that greater stress may be laid on capital appreciation now, due to high personal income taxes. Capital gains are not taxable in Canada. It is not a new idea to look for non-dividend paying stocks with chances for appreciation but it is one that requires more than ordinary care and skill to carry out successfully.

It would seem what is really needed to touch off a strong stock market is some assurance that victory is in sight, not necessarily this year but at least within the next year and a half. There is little chance for earnings to rise and a practical certainty that they will decline due to taxation if nothing else. Dividend increases are likely to be far between although reductions are not expected to be numerous. Thus the usual kind of incentives for more aggressive stock markets is lacking and more psychological factors get more prominence.

• • •

Greater frankness is desirable in presenting financial statements, according to W. G. Leonard, writing in the Canadian Chartered Accountant. But Mr. Leonard's ideas of more frankness appears chiefly to involve frank admission by accountants and auditors that the best they can do is to make approximate estimates of what actual earnings are in any year and what the real balance sheet position is. He would have the auditor's statement make this clear to shareholders and to point out reasons why even the most careful auditor can only make an estimate.

He wants to "educate the public away from the childish notion that accountancy is akin to simple mathematics in that the facts may all be assembled in definite and undisputable array and an exact measurement obtained therefrom." He would have consolidated balance sheets accompanied by copious explanatory notes and schedules to make them intelligible. He would have accountants emphasize that "their certificate is a statement of opinions based upon facts" and above all make clear which of the alternative methods of measuring certain types of revenue and expense items has been used where other equally reasonable methods might have been used.

• • •

Blackout on figures moves another step this week. The censor has ruled that no more Dominion Bureau of Statistics reports on Canada's trade may be published. Specifically the ban covers five bulletins: Trade of Canada by months; summary of Canadian exports and of Canada's imports (excluding gold); Canada's domestic exports by principal countries; Canada's imports by principal countries.

Investment Notes

Corporate Investors Ltd. added eight securities to its portfolio last year while deleting five others. Two of the additions, however, were in Dominion of Canada bonds and were balanced by deletion of a similar number of the same type of securities. Summary of changes follows:

Portfolio Changes
April 30, 1942, Compared with April 30, 1941

ADDITIONS
Dominion 2¼/48
Dominion 3/54
H. Smith, pref.
Nat. Grocers, pref.
Sherwin-Wms., pf.
Tip Top Tailors, pf.
Bathurst, class A
East Malartic

DELETIONS
Dominion 3/52
Dominion 3/55
Dosco 6¼/55
Donnacona 4½/56
Reliance Grain, pf.

• • •

Page-Hersey Tubes reports sales well maintained and shipments running ahead of 1941. The plants are engaged exclusively on Canada's direct and indirect war requirements. This has meant withdrawal from the export field, except such markets and for such special needs that may be requisioned by the Dominion Government.

• • •

Eastern Dairies Ltd. may bring out a plan of reorganization. Hints to this effect were given at the annual meeting of Acme-Farmers Dairy in which Eastern Dairies holds a large interest. At present Eastern Dairies is in technical default in respect to sinking fund payments on its bonds. However, interest payments are being made regularly. No dividends have been paid on the preferred stock for several years.

• • •

Second Inter-State Royalty Corp. reports investments in all royalties had a book value of $282,613 as at June 30, 1942. Gross revenue from royalty income since acquisition, totalled $63,521 to May 31, 1942, and reserve for depletion $17,468 to the same date. During May the corporation had a gross royalty income of $783, while accumulated royalty income for the current year to May 30 totalled $4,668.

• • •

Canadian Pacific Railway is not buying nor has it made arrangements to acquire any of the bonds of Wisconsin Central's Superior & Duluth Division & Terminal 4% bonds, due 1936, according to an official statement issued by L. P. Unwin, financial vice-president of the company. The statement was issued in order to refute rumors circulated among American bond houses.

Goodyear Tire & Rubber Co. of Canada earned sufficient profits in the second quarter to pay its dividends for that period, A. G. Partridge, president, states in a letter accompanying current dividend cheques. The company's plants are almost entirely on war production.

• • •

Federal Aircraft Ltd. announces that J. McKay-Clements has been elected to the board of directors. Mr. McKay-Clements, who is assistant general manager of the aircraft company, is president of the Wabi Iron Works, New Liskeard, Ont.

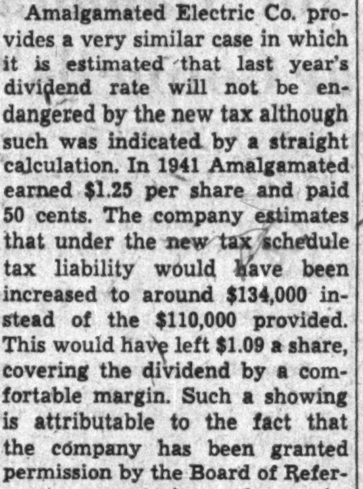
• • •

Maritime Telephone & Telegraph Co., for the first time in its history, handled over two million long distance calls in 1941. By count there were 2,061,461 calls. Between 50% and 60% were directly attributable to the war. Out-of-province calls increased by 101% and calls to the U. S. increased 39% during the past year.

Bond Redemptions

Bond Issues:	Rate	Year	Due	Price
Star St. Ldry.	6½%	1943	July 15	101
Paton Mfg.	‡4½%	1956	Sept. 1	103
Gt. W. Sad'y	6%	1948	Sept. 1	105

‡$12,500.



MONTREAL MANAGER

Canadian Westinghouse Co. announce appointment of K. W. Fraser as manager for the Montreal district, succeeding the late G. A. Wendt. Mr. Fraser has been with Westinghouse in the United States and Canada since graduating from University of Toronto in 1927.

Significant Investors' Index Numbers

	Mach. and equip.	Pulp and paper	Milling	Oils	Textiles and clothing	Food and allied prod.	Beverages	Bldg. mater.	Power and traction	Banks	Total utilities	Total co's.
No. of Securities	8	7	3	4	10	12	7	15	15	8	19	95
(Base 1935-39=100)												
1929-41:*												
High	345.7	564.5	322.3	212.5	168.2	123.2	[illegible]	202.1	297.5	160.9	329.3	180.5
Low	68.5	49.8	63.4	46.5	76.0	76.9	67.0	71.2	60.3	84.6	65.2	63.9
1942: Monthly Figures:												
Jan.	74.3	71.9	74.5	45.9	112.8	86.7	99.2	75.1	64.4	91.1	70.4	66.8
Feb.	73.4	69.3	69.7	43.6	108.7	85.5	96.3	73.9	62.1	91.1	67.7	64.7
Mar.	69.7	66.1	70.9	41.2	104.3	75.8	92.8	74.0	62.0	89.4	67.5	62.3
Apr.	70.6	63.2	69.6	41.4	102.4	74.2	93.1	73.9	60.2	88.4	66.3	61.1
May	74.7	61.0	70.5	43.2	104.3	73.5	94.2	75.7	60.7	87.4	66.4	62.0
1942: Weekly Figures:												
June 4	76.2	60.7	70.1	43.8	106.6	73.2	92.3	76.0	63.0	87.3	67.5	62.7
June 11	77.4	63.0	69.8	45.1	109.6	73.8	94.2	77.8	65.6	87.8	69.9	63.5
June 18	78.0	62.9	70.3	46.3	107.4	75.9	96.8	77.8	66.7	88.4	70.2	64.7
June 25	74.0	60.0	68.8	43.9	105.8	74.0	93.4	76.7	63.4	87.5	67.2	61.8
July 2	75.2	59.1	68.8	43.3	103.7	72.4	93.4	75.7	62.9	87.4	65.8	61.2

*High and low for years from 1929 to 1941 inclusive are based on weekly figures issued by Dominion Bureau of Statistics. For 1929 to 1938 inclusive the base is 1926=100; for 1939 and subsequent years the base is 1935-39=100.

Toronto Stock Exchange Index

	20 Indust.	20 Golds	10 B.M.	15 W.O.
July 7	84.49	64.32	60.64	16.01
July 6	84.12	64.79	60.62	16.04
July 4	83.30	64.88	60.27	16.04
July 3	83.20	65.11	60.25	16.05
July 2	83.50	66.23	60.52	16.10
June 30	83.56	66.15	60.61	16.15
Month ago	84.63	71.07	64.02	16.65
Year ago	92.09	100.18	66.47	18.17
High 1942	93.50	83.71	71.01	18.86
Low 1942	70.85	61.06	60.31	16.00

Montreal Stock Exchange Averages

	10 Util.	20 Ind.	30 Cbd.	10 Pprs.	15 Golds
July 7	42.8	56.6	52.0	53.55	40.99
July 6	43.0	56.0	51.6	53.55	41.48
July 4	42.9	55.3	51.2	53.34	41.98
July 3	43.1	55.4	51.3	53.34	41.99
July 2	42.8	55.7	51.4	54.11	41.90
June 30	42.7	56.0	51.5	54.73	41.90
Month ago	43.3	57.3	52.6	59.32	45.86
Year ago	45.3	58.8	54.4	68.63	60.37
High 1942	44.8	60.5	54.7	77.18	54.82
Low 1942	39.6	55.0	50.0	53.55	38.94

Invest Your Savings —

Attractive returns are currently obtainable from many Canadian securities at present price levels.

Our July Bond List will assist you to select the security suited to your particular needs.

We shall be glad to forward a copy of this List upon request.

Wood, Gundy & Company
Limited

Algoma Central & Hudson Bay
Railway Co. 5% Bonds, due Dec. 31, 1959

Earnings of this railway are running at the highest rate in its history. At present market prices of around 20½-24 the above bonds appear to have very interesting possibilities for market appreciation.

Analysis on request.

PLAXTON, CHERRY & McDONNELL
Toronto 330 Bay St. AD. 5801

NEW PRIORITIES REGULATION
Will Affect Every Industry

ON July 10, 1942, a new Priority regulation will be applied in Canada to every Canadian industry. Under it all businesses, other than retailers, will be classified, and will be allotted symbols which must be used for all purchase orders. Any business which fails to comply with the new regulation will run the risk of not obtaining certain goods or commodities it seeks to purchase.

The new regulation, which is Order No. 1 of the Priorities Officer, Department of Munitions and Supply, establishes a system known as the Allocation Classification System. Under its terms every purchaser of goods or commodities of any kind, valued at $15 or more, other than a retailer or a person who buys from a retailer, must acquaint himself at once with the appropriate symbols. He must indicate the correct symbols on:—

(1) All purchase orders or contracts placed after July 10, 1942; and

(2) All purchase orders or contracts, regardless of the date of placement, which call for delivery after July 31, 1942. A purchaser who has placed an order for delivery after that date must, before the end of July, 1942, advise his supplier of the appropriate symbols.

Industrial and mill suppliers, warehouses, and other businesses performing similar functions for industry, shall not be deemed retailers for the purposes of the order.

If any business is in doubt as to how it should classify its operations and what symbols it should use, the business should obtain correct information from the nearest Priorities office at 34 Adelaide Street West, Toronto; 604 Marine Building, Vancouver; or 702 Dennis Building, Halifax, or from the Priorities Officer, Department of Munitions and Supply, Ottawa. Copies of the regulation may be obtained from the same sources.

THE DEPARTMENT OF MUNITIONS AND SUPPLY
Honourable C. D. Howe - - - Minister

Additional Issue

$650,000

Northwestern Utilities, Limited

4½% First Mortgage Sinking Fund Bonds
Second Series "A", Due June 1st, 1959

Denominations: $500 and $1,000

PRICE: 98 and accrued interest to yield about 4.67%

A prospectus, a copy of which has been filed with the Secretary of State for Canada, in accordance with the provisions of The Companies Act, 1934, will be promptly furnished upon request.

NESBITT, THOMSON & COMPANY
Limited
355 St. James Street West, Montreal
Branches in the principal cities of Canada

219A

Refunding Plans Cover $1.3 Billions

Non-war Debt Policies Get Airing in Loan Act Debate

By A. D. ELLWOOD

Canada has maturing debt—exclusive of Canadian National Railway debt—amounting to $1.3 billion to the end of 1943. This includes issues becoming callable during this period.

Of the total Dominion direct debt $459 millions is payable in United States funds. All Dominion and C.N.R. securities held by residents of the United Kingdom have been repatriated.

The Dominion has issued $9.1 millions of non-interest bearing obligations since the war started.

This and further information came out in the debate on the 1942 loan act, just concluded in the House of Commons.

Almost each year the Canadian Parliament is asked to pass a loan bill, giving the government power to meet maturing obligations, do any refunding of unmatured bonds considered necessary and generally handle the major financing problems as they come up.

The Loan Act

The custom has grown of having this bill give the government power to borrow $750 millions; this exact amount may be used or it may not. This year Finance Minister Ilsley suggests a further loan bill may be necessary later on in the year, due to the tremendous liabilities being built up for the growing war effort.

Finance Minister Ilsley stated in the debate on the 1942 loan bill:

"The amount to be authorized is $750 millions. The loan act of 1931 and subsequent loan acts in 1933, 1935, 1936, 1939 and 1940, have all authorized the borrowing of $705 millions. That is the amount that is put in. There is no particular magic in that amount. In fact it would appear to me that probably another loan act will be required next year, although we have been able to go two years since the last loan act of $750 millions in 1940.

"I suppose hon. members understand that the purpose of these loan acts is to vote money to meet maturing obligations, whereas the purpose of our estimates is to meet current obligations of the government. The war expenditure bill is to meet war expenditures, as a separate function."

Canada has $1,315,3 millions of debt maturing or callable before the end of 1943. Government policy on this debt is apparently not entirely settled as yet. With regard to the $270 millions of treasury bills included in this total, Mr. Ilsley says:

Treasury Bill Policy Unchanged

"I should think it might be desirable not to have any plans for converting them into a long-term debt. The money is borrowed at a low rate of interest, almost a non-existent rate of interest, and there is no reason why there should not be a substantial amount outstanding continuously."

With regard to the bonds which the Dominion must provide for to the end of 1943, the total of just over a billion dollars is split up among 1942 maturities of $74 millions, 1943 maturities of $677 millions and securities callable to the end of 1943 $294.3 millions. The whole list, excluding treasury bills, is as follows:

Canada's total direct debt payable in United States funds is $459 millions, a reduction of $10 millions since the war started. This does not include guaranteed debt payable in U. S. funds. Of the $459 millions, $306 millions represents loans or renewals of loans issued in the period 1922-1930; $200 millions represents refunding of loans first issued during the last war.

What the government plans with regard to this debt is not specifically stated but the implication from Mr. Ilsley's remarks is that there is no immediate intention of making further important reductions in the principal. This does not bar refinancing to reduce interest burden such as might quite likely be done with the 5% bonds becoming callable May 1, this year. Annual interest charges on this U. S. payment debt are $16.2 millions, to which must be added 11% for current exchange premium, or another $1.7 million.

Leave Industrial Securities

Canada has repatriated all Dominion Government and Canadian National Railways securities held by residents of the United Kingdom, Mr. Ilsley states, but the Dominion programme did not include the repatriation of industrial securities held in the United Kingdom. His argument in this is that "so long as they have a substantial investment in this country they will have a financial interest in purchasing goods from this government and developing trade with us. If all these securities were brought home there would be a strong tendency on their part to purchase wheat from the Argentine and cattle from other countries in whose properties and industries they had an interest."

Under the last loan act of 1940, the government has issued war savings certificates, war loans, victory loans, non-interest bearing loans and others. So far as Victory Loans and War Loans are concerned, this only includes the portion used to refund maturing securities. Under the classification of non-interest bearing loans, the government has issued up to April 30, 1942, a total of $9.1 millions. How the last loan act of 1940 was used is shown from the following table.

BONDS MATURING OR CALLABLE

Date of Issue	Date of Maturity or Call Date	Rate %	Payable	Amount $
May 1, 1922	Callable May 1, 1942; due May 1, 1952	5	New York	100,000,000
June 1, 1937	June 1, 1942	2	Canada	249,000
July 1, 1941	July 1, 1942	4	Canada	33,293,471
Oct. 15, 1934	Oct. 15, 1942	3	Canada	40,409,000
Jan. 15, 1937	Callable Jan. 15, 1943; due Jan. 15, 1944	2¼	New York	30,000,000
Apr. 15, 1942	Apr. 15, 1943	1	Canada	250,000,000
May 1, 1941	May 1, 1943	2¼	New York	10,000,000
June 1, 1935	June 1, 1943	2½	Canada	20,000,000
Jan. 2, 1941	July 2, 1943	1½	Canada	250,000,000
Aug. 15, 1935	Callable Aug. 15, 1943; due Aug. 15, 1945	2½	New York	76,000,000
Oct. 15, 1923	Oct. 15, 1943	5	Canada	147,000,000
Oct. 15, 1933	Callable Oct. 15, 1943; due Oct. 15, 1945	4	Canada	88,337,500

LOANS ISSUED UNDER 1940 LOAN ACT

Date Issue	Maturity Date	Rate %	Description	Amount $
....	....	3	War savings cert.	150,000,000
Oct. 1, 1941	Oct. 1, 1952	3	Second war loan	24,945,700
....	June 15, 1945	.	Non-int. bearing certificates	1,000,000
Jan. 2, 1941	July 2, 1943	2½	2½ year notes	50,000,000
May 1, 1941	May 1, 1942	1	1-year notes	250,000,000
May 1, 1941	May 1, 1943	2¼	2-year notes (N.Y.)	11,100,000
June 15, 1941	Dec. 15, 1946 June 15, 1951	2 3	1941 Victory loan	106,444,000
Mar. 1, 1942	Sept. 1, 1944 Mar. 1, 1948 Mar. 1, 1951	1½ 2¼ 3	2nd Victory loan	156,510,300
Total				750,000000

Classified Advertisements

Classified ads. cost 4c. per word and figure for each insertion. Minimum ad. 12 words. Add six words when box number is required. When replies are to be mailed to advertiser, add 10c. Classified ads. payable in advance. Contract rates on application.

EXECUTIVE AVAILABLE

EXECUTIVE widely experienced in industrial and business management, public industrial and labour relations and personnel direction, is seeking an opportunity. Has held outstanding positions in Canada and the United States with recognized achievement. Willing to go anywhere. War industry preferred but not restricted. Highest references. Box 292, The Financial Post, Toronto.

SCOTTISH Chartered Accountant, under forty, at present employed, wishes to make change to position of assistant treasurer or controller of large industrial concern. Married, good record and practical experience of control work in most branches. Box 33, The Financial Post, Toronto.

SIMPKIN MARSHALL LIMITED

(Members Voluntary Winding Up)

The Companies Act 1929

NOTICE is hereby given that the creditors of the above named Company, whose claims have not already been admitted to rank for dividend, are required, on or before the 28th November, 1942, to send in their names and addresses, with detailed particulars of their debts or claims, and the names and addresses of their Solicitors (if any) to the undersigned, F. S. TULL, F.C.A., at 3, Frederick's Place, Old Jewry, London, E.C.2., England, Liquidator of the said Company; and, if so required by notice in writing from the said Liquidator, are, by their Solicitors or personally, to come in and prove their said debts and claims at such time and place as shall be specified in such notice, or in default thereof, they will be excluded from the benefit of any distribution made before such debts are proved.

All claims admitted to date have been paid in full.

This Notice does not affect transactions with Simpkin Marshall (1941) Ltd.

Dated this twenty-eighth day of May, 1942.

F. S. TULL,
Liquidator

The Great West Saddlery Company Limited

WINNIPEG, CANADA

To the Holders of The Twenty Year First Mortgage Sinking Fund 6% Gold Bonds of The Great West Saddlery Company Limited due March 1st, 1948.

NOTICE IS HEREBY GIVEN that pursuant to the terms of the said Bonds and of the Deed of Trust and Mortgage dated as of the 1st March, 1928, made between The Great West Saddlery Company Limited (hereinafter called the Company) of the first part, and The Toronto General Trusts Corporation, Trustee, of the second part, the Company intends to redeem, and hereby calls for redemption, on September 1st, 1942, all its outstanding Twenty Year First Mortgage Sinking Fund 6% Gold Bonds, by payment of the principal sum of each such bond with a premium of five per centum of such sum and interest on the principal amount thereof accrued to September 1st, 1942, upon presentation, delivery up and surrender of each such bond for cancellation accompanied by all interest coupons belonging thereto which mature on and after the said September 1st, 1942, and together with all unpaid interest coupons, if any belonging thereto which matured on or prior to the 1st day of March, 1942.

Payment of the redemption price will be made at any office in Canada of The Canadian Bank of Commerce.

AND NOTICE IS FURTHER GIVEN that all interest shall cease to accrue as from September 1st, 1942, on all bonds, hereby called for redemption, which are not presented for redemption as aforesaid and delivered up and surrendered on September 1st, 1942, and on all such bonds in respect of which the holder thereof shall neglect or refuse to accept payment of such redemption moneys.

DATED Winnipeg, June 19th, 1942.

THE GREAT WEST SADDLERY COMPANY LIMITED.
J. C. BROADFOOT,
Secretary.

The Bondholder

Ontario has completed a $129.5 millions refinancing programme that now sees it clear until next Mar. 31. During the past week negotiations were concluded for meeting a $20 millions New York maturity Oct. 1. This issue carried a 5% coupon and under the deal $5 millions was paid off and the balance of $115 millions refunded by a new 2½% loan due 1945. The sale of $10 million 2% and $10 million 3% bonds a couple of weeks ago here took care of three domestic maturities falling due this year. These were $700,000 5's due Sept. 1, $7.5 million 2's due Oct. 15 and $15.3 million 5½'s due Dec. 1. Also refinanced have been $29.2 million of 4¾% bonds due Dec. 1 which were all held by the Teachers' Superannuation Fund of the province.

Breakdown of this refinancing reported by the province showed it composed of $82,582,000 in bonds and the balance of some $47 millions in treasury bills. Along with the maturities already noted this still leaves some $10 millions to make up the $82.5 millions total in the refinanced bond category. It is believed that this item is made up by the funding of some serial loans.

* * *

Paper bonds turned somewhat more active and higher during the past week with Abitibi in the lead for a gain of a couple of points. Interesting in this connection is a summary made by R. A. Daly Co. of active pulp and paper bonds, some of which follow:

	Capacity in Tons	
	Newsprint	Pulp
Abitibi	650,000	106,000
Brown	......	345,000
Consolidated	730,000	150,000
Lake St. John	100,000	10,000
Minnesota & Ont.	250,000	......

	Times Interest Earned*
Abitibi	4.8
Brown	11.4
Consolidated	3.3
Lake St. John	4.0
Minnesota & Ont.	8.7

*Last fiscal year.

	First Mtge. per Ton Pulp & Paper Capacity	Working Cap. per $1,000 Bond
Abitibi	$56	$ 525
Brown	37	1,003
Consolidated	56	285
Lake St. John	49	402
Minnesota & Ont.	39	897

* * *

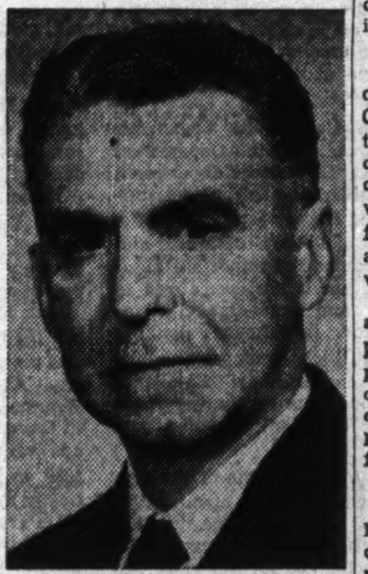
Algoma Central Railway bonds again came into buying favor during the past week to pick up a couple of points or so to 20½ bid at mid-week. In explanation of the move the street continued to gossip of a continued high level of earnings for the company, while unofficial reports were heard that more Terminal bonds were being paid off; a move that would help further to clear the rail issue.

Bond Tenders

July 10, Arnprior, Ont.—$12,000, 4% serial bonds, due July 15, 1943 to 1957.

4 p.m., July 20, Saint-Hyacinthe, P.Q.—$40,000 3½% as follows: $15,500, dated Feb. 1, 1942, redeemable serially from Feb. 1, 1951 to 1962; $25,000, dated Aug. 1, 1942, redeemable serially from Aug. 1, 1943 to 1962. M. A. David, clerk.

5 p.m., Aug. 3, Granby, P.Q.—$10,000, 3½% or 4%, dated July 1, 1942, redeemable serially from July 1, 1943 to 1962. A. Montfils, sec.-treas.



NEW SECRETARY

George H. Rogers, of Toronto, has been appointed secretary of Bell Telephone Co. of Canada. Mr. Rogers joined the company in 1906 and has been general commercial manager of Bell's western area, with headquarters in Toronto, since 1930. He succeeds F. G. Webber, of Montreal, who is retiring after a notable 50-year career in the telephone business.

N. W. Utilities Bond Offering

Proceeds of $650,000 Issue Will Partially Offset Capital Outlay

From Our Own Correspondent

MONTREAL.—Nesbitt, Thomson & Co. is making a public offering of $650,000 of Northwestern Utilities Ltd. 4½% 1st mortgage sinking fund bonds, second series A, at 98 and accrued interest to yield 4.67% to maturity.

Public participation will be limited to $500,000 of the bonds. The balance will be exchanged for a like amount of Northwestern Utilities' series B bonds issued Jan. 1, 1939, to Canadian Western Natural Gas, Light, Heat & Power Co.

Reimburse Company

Northwestern Utilities Ltd. serves Edmonton and vicinity with natural gas. During the last two years it has spent $1,150,000 on capital account. Proceeds from the current financing, therefore, will be for the purpose of restoring the company's working capital.

The second series A bonds mature June 1, 1959, and are payable as to principal and interest in Canadian funds only. They are callable on 30 days notice at varying premiums and at 101 after June 1, 1954, to maturity.

According to the circular, net income of the company available for interest on the bonded debt amounted to $417,521 in 1939; $417,023 in 1940 and $361,600 in 1941. Against this the maximum annual interest requirements on the company's bonded debt amount to $126,250.

Interlake Tissue Mills reports sale of 20 shares of stock June 27 at $100 per share.

Says Co-ordination Need For Transport Systems

By JOHN LANGDON

MONTREAL.—Among the major postwar problems facing Canada is how to provide the cheapest efficient form of transport, says W. N. Neil, vice-president of the Canadian Pacific Railway, told The Financial Post. To that end, he added, steps should be taken to corelate all forms of transport under one regulatory body.

Need for Co-ordination

"Today we have several forms of control over our transportation facilities," he continued. "Both the federal and provincial governments have the power to regulate. If we are to secure the most efficient form of transport, and that means the cheapest, it will be necessary to bring all these agencies under a single authority."

Mr. Neil pointed out that one of the principal functions of such a control body would be to rule on the type of traffic which each agency could carry. The railways had very definite advantages for long haul and mass movement of goods and materials in Canada. Trucks are needed for short haul traffic. Inland shipping fills a definite need. Air transport is developing rapidly and its possibilities in certain fields are almost unlimited. ited.

"All these services must be corelated to each other to give maximum service for the Canadian producer in order that he may have the lowest possible transportation costs in getting his goods marketed in the after-war period."

Traffic Tapering Off

Turning to the current situation of the railways, Mr. Neil said the Canadian railways can handle all the traffic offering. "The rate of increase is beginning to taper off," he continued. "While I do not think we are approaching a peak of traffic, still the gain in the months ahead will not be anything like it was in 1940 and 1941."

Not generally realized, Mr. Neil added, was the extent to which peacetime traffic was being replaced by war traffic. There are no official figures available as to the extent of the diversion, but "the replacement of civilian with war traffic does not add to our load."

Question of Handling

"As long as we can get the cars loaded and unloaded quickly," declared Mr. Neil, "there is practically no limit to the volume of freight traffic which the Canadian railways can handle.

"We have applied the lessons learned in the last war to this war. There is no congestion. All movement of traffic to the seaboard is under control. If the shipping space is available, we will see the goods and materials are at the port when needed. The only bottleneck in transport these days is in shipping."

"Back in Sept., 1928, we despatched out of Winnipeg an all-time record of 2,000 cars in one day. We have never approached that figure and are still well below it today.

"This fall it looks as if we will have a bumper crop in the West. Growing conditions so far this year are almost identical with those in 1915 when the West had a huge wheat crop. I don't think the acre yield this year will be as large as in 1915, but if we get plenty of warm weather from now on, there will be a very heavy crop.

"Naturally that crop will not be moved by the railways until we get the present wheat in storage out of the way. It will have to stay on the farms so that we won't tie up any equipment."

Replace Civilian Traffic

The traffic outlook in the east was on a different basis. A steady increase in volume was anticipated, but again Mr. Neil emphasized that many industries had turned from civilian to war goods, so that the gain in traffic was not nearly so heavy as many had imagined.

The railways are doing a big job in keeping every piece of available equipment at work. While admitting new equipment would be needed from time to time to replace that worn out, the maintenance work in railways shops had been stepped up sharply.

Heavy Passenger Traffic

The outlook for passenger traffic was such the railways would undoubtedly be hard pressed to provide sufficient equipment. This was due almost entirely to the diversion of passenger traffic from the highways to rails.

Along these lines Mr. Neil pointed out that in normal times the volume of week-end traffic from Winnipeg to Kenora was around 250 passengers. On recent week-ends, as many as a thousand passengers have been carried. Similar expansion is taking place in other parts of the Dominion and while it creates a big problem, the railways feel confident they can take care of the load.

To provide more passenger equipment the Canadian Pacific Railway is now undertaking to convert a number of its "Mont" class parlor cars to day coaches.

Keep Up Maintenance

On maintenance of equipment and roadbed on the C.P.R., Mr. Neil said the programme was limited only by the availability of materials and men.

In the car shops operations had been considerably extended and a smaller percentage than ever of the rolling stock was inoperative.

Rails and roadbed were not being skimped because of lack of money, as was the case in the depression period. With the heavy traffic now moving and consequent increase in wear and tear, no chances could be taken in slowing up operations by letting down on line maintenance. Consequently the only limitation on this type of work was lack of labor or supplies which to date had not been of any moment.

Thus as far as the immediate future is concerned, Mr. Neil concluded, "we do not see any reason for doubting our ability to do a wartime job."

Porto Rico Power Case Again to Fore

Government Seeks to Take Over Canadian-controlled Property

From Our Own Correspondent

MONTREAL.—United States Government has filed proceedings in the Federal Court at San Juan, Puerto Rico, for condemnation and expropriation of the Canadian-controlled Porto Rico Light & Power Co.

The matter of taking over Porto Rico Railway Light & Power Co., subsidiary of Porto Rico Power Co. and in turn controlled by International Power Co., has been an issue for some time.

With the aid of the United States Government, Porto Rico purchased the Ponce Electric Co., the island's second largest electric utility in 1937. Negotiations to purchase the Mayaguez Light and Power, the next largest, have so far failed, though currently the United States Government has filed proceedings against the Mayaguez Co.

Leading Utility System

Porto Rico Railway serves more than 30 municipalities with all electrical services and is the island's largest utility. The company also operates the entire tramways system in San Juan and suburbs, together with the steam railway connecting the terminus of this tramway at Rio Piedras Paguas, 18 miles distant. In 1933 the company abandoned the electric railway system between San Turce and Rio Piedras, due to losses incurred in operating in that section.

The company has a well-established earning power. There is no direct public investment interest in it. Approximately 98% of the common is owned by International Power Co., whose bonds and preferred stock are widely distributed.

—Blank & Stoller photo.

UTILITY EXECUTIVE

Thomas Irving, Montreal, who has been appointed treasurer of Southern Canada Power Co., Power Corp. of Canada, Northern Quebec Power Co., Northern Ontario Power Co., Foreign Power Securities Corp., Manoir Drummond Ltd., Sherbrooke Railway and Power Co., Canada Northern Power Corp. and Northern British Columbia Power Co.

Minnesota & Ontario Paper Co. had reduced its funded debt to $9.6 millions at May 1 this year from $9.8 millions at the end of 1941. Original issue was $12.2 millions. The company also had a credit of $289,463 on May 1 to apply against future sinking fund requirements on the debt.

LARGE COMPANY DESIRES

High Calibre Man for Executive Post

A large, nationally-known company of over fifty years standing, maintaining General Offices in Toronto, desires to bring into its organization a capable executive with experience in the field of Public Relations. With this in view, the President is interested in making contact with proven, able Canadian business executives in this field who might be interested in such an opening.

In selecting a man, the management will attach considerable importance to the applicant's age, education, experience and background. The position in question is a salaried one and only men of the highest calibre will be considered.

In replying, kindly state age, education, general background and experience. All communications will be treated in the strictest confidence and should be addressed to "Public Relations Advertiser" in care of the company's solicitors, Osler, Hoskin & Harcourt, Dominion Bank Building, Toronto, Ontario.

Applicants connected with companies engaged in the production of equipment or supplies for the Armed Forces will not be considered.

Canadian Foreign Investment Corp. will add some 47 cents a share to common stock earnings as a result of the current redemption of preferred stock. On October 1 next the company will draw by lot 2,000 shares of the outstanding 8% cumulative preferred for redemption at 105 and accrued dividends, subject to approval of the Foreign Exchange Control Board.

* * *

Canadian National Railways gross traffic revenue for the nine-day period ended June 30 set a new high record for such a period in the history of the system.

Returns of $10,358,000 exceeded the like period of 1941 by 32.1%. This was the widest margin of improvement over the preceding year since the 37.83% gain recorded in the 10-day period ended Jan. 31 this year.

* * *

Montreal Power's stock was the most actively traded issue on the Montreal Stock Exchange during the first half of the year. The total turnover was 66,996 shares. Next on the list in respect to volume of trading was Canadian Pacific ordinary shares with 60,478.

The Council of the Town of Fort Frances would like to get in touch with any persons or firms looking towards industrial expansion. Good industrial sites are available on railroad and on Rainy River; power is available at reasonable rates; a thriving town of 5,500 centrally situated. Any one interested should write the undersigned for further information.

J. W. WALKER, Clerk,
Town of Fort Frances, Fort Frances, Ontario.

INDUSTRIAL, CONSTRUCTION ROAD BUILDING and MAINTENANCE EQUIPMENT

must be registered before August 1st.

Under Order A.246, dated June 29th, 1942, every person, firm, corporation, Provincial, County or Municipal Government — (farmers, miners and mining companies excepted) — owning any industrial, construction or road making or maintenance machinery must report each item or unit, so owned, to

Mr. H. H. Bloom,
The Administrator of
Farm and Construction Machinery
and Municipal Service Equipment,
Toronto General Trusts Building, Toronto

The Order enumerates the equipment affected, and empowers the Administrator to require the renting or selling of idle equipment, or equipment not employed in 'essential' work, on certain prescribed terms, and sets forth the exact form on which reports must be made.

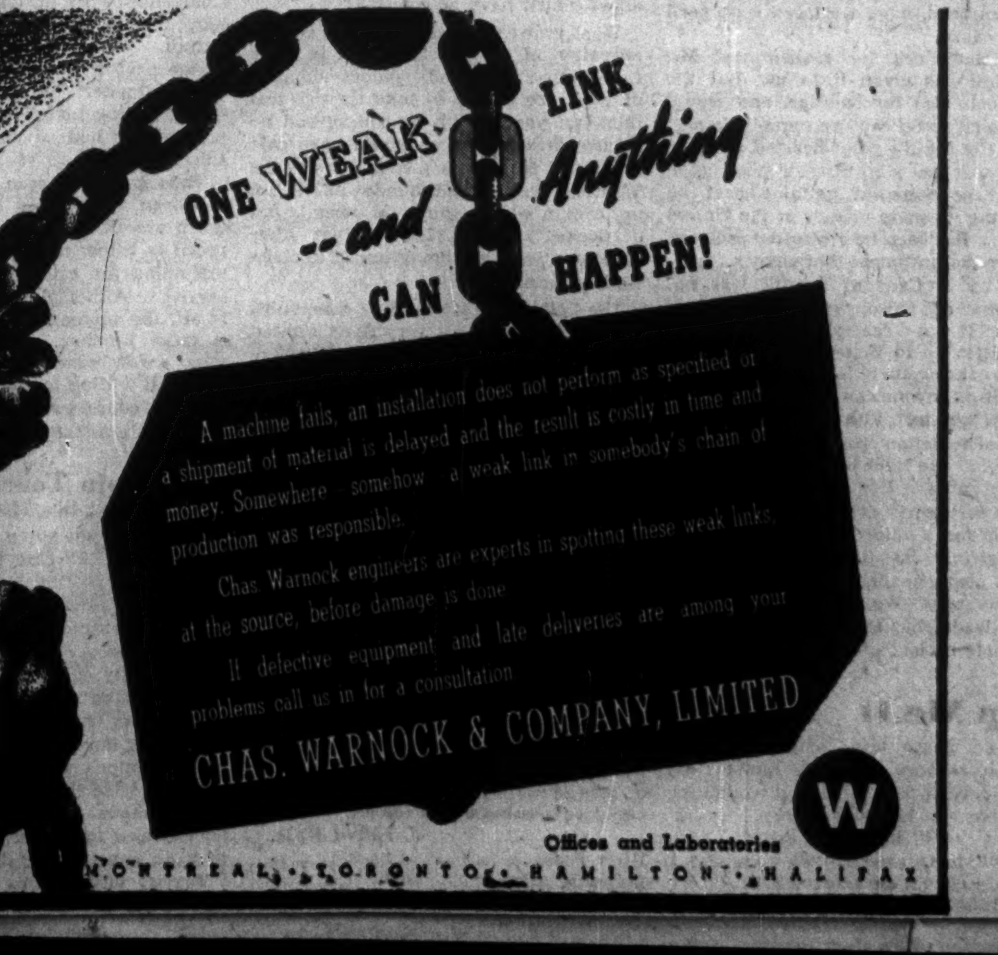
Copies of the Regulations may be secured on application to the Administrator, or from any Regional Office of this Board.

PENALTIES ARE PROVIDED FOR NON-COMPLIANCE WITH THESE REGULATIONS

THE WARTIME PRICES AND TRADE BOARD

REGIONAL OFFICES:

HALIFAX, N.S.	77 Upper Water Street	LONDON, Ontario	291 Dundas Street
CHARLOTTETOWN, P.E.I.	Chappell Building	NORTH BAY, Ontario	169 Main Street
SAINT JOHN, N.B.	58 King Street	WINNIPEG, Man.	608 Power Building
QUEBEC, P.Q.	71 St. Peter Street	REGINA, Sask.	2225-11th Avenue
MONTREAL, P.Q.	Aldred Building	EDMONTON, Alta.	Williamson Building
BROCKVILLE, Ontario	Victoria Building	VANCOUVER, B.C.	3rd Floor Marine Building
TORONTO, Ontario	Northern Ontario Building		



A machine fails, an installation does not perform as specified or a shipment of material is delayed and the result is costly in time and money. Somewhere - somehow - a weak link in somebody's chain of production was responsible.

Chas. Warnock engineers are experts in spotting these weak links, at the source, before damage is done.

If defective equipment and late deliveries are among your problems call us in for a consultation.

CHAS. WARNOCK & COMPANY, LIMITED

Offices and Laboratories

MONTREAL • TORONTO • HAMILTON • HALIFAX

The Editorial Page . .

Important Especially for Postwar

"Are Canadians doing their part in defense of this hemisphere?"

Ask that of most United States citizens and the answer is not likely to be either accurate or complimentary.

Here's one significant fact we don't imagine one in a thousand Americans knows.

Canadian troops are in Alaska. That means Canadian troops are on American soil, defending American soil. Are there any American troops on Canadian soil defending Canada? Apart from the U.S. engineers corps building the Alaska highway, we don't think so.

The point is minor because the job and the cause is mutual. But what is important for our national self-respect and especially for our national welfare is that the great mass of Americans hear Canada's war effort story—and hear it loudly and accurately.

It is fortunate and very valuable that Mackenzie King has ready access to President Roosevelt. But the Prime Minister ought to stop trying to "brain-trust" in the field of public relations for that is a field in which he is notoriously inept.

The Charles Vining report on Canada's relations in the United States and what should be done about them should be ready shortly. It is devoutly to be hoped that the Prime Minister will show unaccustomed speed and directness in taking some action. This is vital for our good relations with our neighbors not only during the war but more particularly for the period after the war.

Why This Special Favor?

At a time when ordinary residential construction throughout Canada is being rigidly limited, how can the government justify its permission to the Dionne family of Callander to start a $50,000 home?

True, this is intended to house the famous quintuplets as well as other members of their family and it has been planned for some time. Yet thousands of other citizens, too, have been planning houses, and they have also been living under what would normally be regarded as crowded conditions.

If there are sound wartime reasons for limitations on residential construction, they should be applied equally to everybody with no special favors.

Only a few years ago a modern and fairly commodious nursery was erected for the Quintuplets and here they have been living while other members of the family were in their own house a few hundred yards away.

The Quints have been a major tourist attraction to Ontario and during the height of the season, thousands of American visitors flocked to Callander for the sole purpose of getting a glimpse of them. Had this traffic continued, more commodious family quarters might have been justified. But with gasoline and tire restrictions certain to reduce greatly tourist inflow to a place as far away as Callander from the U. S. border, that need would seem to have been postponed.

It would be normal perhaps to have all members of the Dionne family under the same roof, but when other less publicized Canadian citizens are forced through war necessity to put up with present quarters, it should be no great hardship to ask a similar sacrifice of the Quintuplets. There should be one law for everybody.

The Financial Post's Platform For War

1. *Effective mobilization of all resources, materials, productive capacity and man power, without reservation, for an all-out war effort.*
2. *A national cabinet, representative of all loyal groups, and consisting of Candia's ablest brains.*
3. *An inner war cabinet, free from departmental duties, to plan the nation's war effort and to see that the plans are carried out.*
4. *A non-political industrial executive to organize and direct procurement of war supply.*
5. *Pay-as-we-go policy, to the very limit consistent with an all-out war effort, to avert inflation.*
6. *Elimination of wasteful spending by public bodies or private individuals.*
7. *A national programme to deal with postwar employment and relief problems.*

Why Not in Canada Too?

America's Donald Nelson has just set up a committee to relieve businessmen of some of the mass of government questionnaires, reports, blank forms flooding their desks. This committee, headed by an accounting firm executive, is designed to abolish unnecessary forms, consolidate them where possible, and keep "a close check on the issuance of new WPB forms requesting information from American industry."

The move is sound from every aspect. Business is asked to trim off every frill. Why shouldn't the government? Bearing an enormous tax burden, business has to trim expenses on every front, and where more desirable than where expenditures are wasteful? An American company reports that it costs it over $100,000 a year simply to fill out government forms. The same to greater or lesser degree holds true for all Canadian business.

The simplest first move of the bureaucrat, faced with the necessity or desirability of an appearance of action, is to "take a survey." Armed with mighty powers, he need not be deterred by the fact that some other branch of government may already be collecting the same information or information that is sufficiently similar to serve his purpose.

Another danger with form filling is that people may be forced to go on filling them long after the information they supply is useful or is being used.

Business can have no proper objection to providing government with the information which it needs and to which it is entitled for wise administration.

A committee like that in the United States would have several advantages. It would help government get all the information it needs on a useful and comparable basis. Business would save much time and expense for better purposes and would much more willingly lend its co-operation if it had the conviction that all its form filling was really useful and worthwhile.

The U.S. committee is made up of an outside auditor, with members from War and Navy department and other governmental agencies.

Much better would be a committee made up of non-government men who would weigh the "We want to know" arguments of civil servants against the "Is the resulting information worth it?" arguments of business.

Essential Ingredient of Free Society

A constantly improving standard of living, free enterprise, competition, rapid passing on of scientific and other developments to the whole people and advertising—all go hand in hand. They are all inherent in the democratic way of life and the weakness of one weakens all the rest.

America's Jesse H. Jones, Secretary of Commerce, stated his beliefs about advertising in a message to the recent conference of the National Industrial Advertisers' Association meeting at Atlantic City. He said:

> "If there were no other reasons why the Department of Commerce believes in advertising, the contribution to speeding war work which the great commercial information industry of the country is making would be sufficient explanation for our faith in this essential ingredient of a free society." He added his congratulations on the work of the association "in proving the many values of advertising to a free nation fighting to maintain its freedom."

A striking example of wartime advertising at its best is a current advertisement (being used in the U.S.) by Ford Motor Co. It is headed "There's a great day coming" and says in part:

> "Here at Ford . . . while acres of factories, miles of machinery and armies of skilled workers are devoted 100% to turning out tools of war . . . our research and engineering laboratories are discovering new materials and developing improved manufacturing methods and techniques which will make even finer peacetime products available for more millions of people some day—after victory is won.
>
> "We believe a new and brighter tomorrow awaits the people of the world . . . for the machine becomes a benevolent power in the hands of a universe at peace and will multiply the good and useful and beautiful things of life far beyond our present comprehension. Truly there's a great day coming."

There's a message which speaks for the industrial genius of our continent and our civilization, not just for Ford Motors, but for thousands of other enterprises.

Firms that are going places usually know where they are going. Advertising like this proves it.

Adding to the Load

Already harried by the many difficulties of operating under wartime conditions retailers of so-called "luxury articles" now have to handle the new 25% stamp tax. Proved a failure when tried in the last war, this imposition has been resurrected to slow down spending and, above all, to make it appear that the price ceiling is being held inviolate.

The specified list of "luxury articles" is by no means inclusive of all fripperies and it does include such useful articles as fountain pens and alarm clocks, neither of which many consider luxuries.

Having the retailer affix stamps on sales slips opens the way for dishonest practices, ties up money in stamp inventories and completely neglects the fact that manufacturers already have machinery set up for collecting this tax at the source, not the outlet, as they now collect the sales tax.

To make the consumer tax conscious, stamps are not necessary. Retailers could re-mark their merchandise showing the price of the article, and the amount of the tax. The stamp nuisance could be eliminated.

Business in wartime calls for more streamlining. Loading it with cumbersome and unnecessary gadgets is not streamlining.

Patriotism in Metals

That certain strategic war metals are essential to our war effort is well known. Not so well known is the fact that deposits of these metals are difficult to locate; and often when found are too low grade or of too small quantity to be worked profitably. Normally, a businessman would hardly feel warranted in going after the war metals.

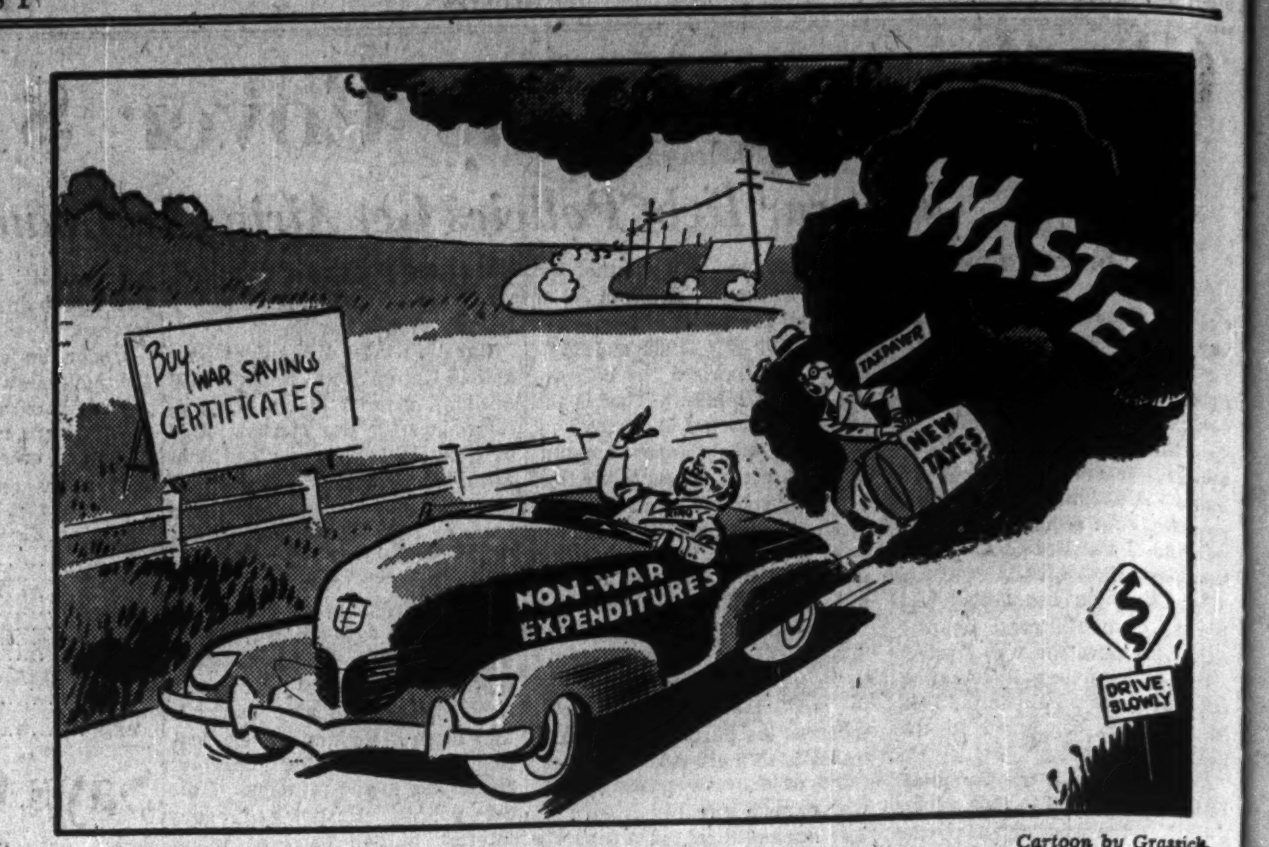
Fully realizing this situation, however, a number of Canadian mining companies have made a very real contribution to the war effort, a contribution that has not received the attention it deserves. Companies like Consolidated Smelters and Ventures have headed a wide search for these both in the field and laboratory. These companies have carried out voluntarily, as a patriotic duty, what might be required by regimentation in a fascist state.

Take the case of Ventures. Prior to the war the company had practically gone out of the prospecting business. When the Metals Controller drew attention to the need for war metals, however, a large-scale exploration programme was drawn up. To facilitate the work, a new subsidiary, Frobisher Exploration Co., was formed. Under the direction of this new company scores of properties have been examined. Smelters' contribution in the way of production of tin, mercury and tungsten is well known. Smelters too has undertaken erection and operation of special plants for the government.

Under the new budget, considerable encouragement by way of tax exemption has been given to securing a greater production of these war metals. The search will undoubtedly be stimulated. But companies like Smelters, Ventures, Noranda and many of the larger gold mines initiated the search when chances of success seemed none too great. Canada can well take pride in possessing a mining industry just as public spirited as it is great.

Editorials in Brief

"World War Won" was the way World War I came back from the stenographic department of The Financial Post the other day. And after all that third word "won" is a better way of distinguishing the war of 25 years ago from the present conflict, than the numerals so commonly used.



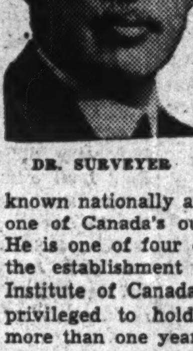
STILL UNRATIONED

Cartoon by Grassick

Post-Scripts . . . . .

Outstanding Engineer

Dr. Arthur Surveyer, whose appointment as general consulting engineer to the Shawinigan Water and Power Co. and its subsidiaries has just been announced, upsets the old maximum of, "a prophet is without honor in his own country." Perhaps Dr. Surveyer would not claim to be a prophet, but he is a hard-headed French-Canadian engineer whom his own and other people have honored on more than one occasion.



DR. SURVEYER

Today at the age of 64 he is known nationally and internationally as one of Canada's outstanding engineers. He is one of four engineers who, since the establishment of the Engineering Institute of Canada in 1880, have been privileged to hold its presidency for more than one year.

Quiet, soft-spoken and at all times dignified, Dr. Surveyer secured his primary education in his native city of Montreal. He graduated in arts from the University of Laval and then took a course in civil engineering in the Ecole Polytechnique de Montreal. Followed a postgraduate course at the Ecole Speciale d'Industrie et des Mines du Hainault at Mons, Belgium.

Returning to Canada he began his engineering career with the Department of Public Works. He left the department in 1911 to establish his own business under the name of Arthur Surveyer & Co. This firm has not only designed and supervised a number of important engineering works, but it has specialized in semi-technical and semi-financial investigations for investment banking firms, public utilities, commercial banks and industrial corporations. The list of his clients at one time or another reads like a "Who's Who" of Canadian corporations.

Today Dr. Surveyer is one of the outstanding French-Canadian members of his profession. His eminence in that field is recognized by the many public and private demands for his services.

From 1917 to 1924 he was a member of the Canadian Council for Industrial and Scientific Research. From 1924 to 1925 he was president of the Engineering Institute of Canada. The Rensselaer Polytechnic Institute of Troy, N.Y., gave him an honorary degree of Doctor of Engineering. Recently he was appointed by the Dominion Government as a member of the National Research Council. He is also a member of the Corporation of the Ecole Polytechnique de Montreal.

In addition to his membership in a number of engineering, economic and management societies, Dr. Surveyer has found time to serve on the board of Shawinigan Water and Power Co., Holland-Canada Hypotheek Bank, Credit Foncier Franco-Canadien, and other corporations.

• • •

Rations Chief

When Donald Gordon announced an executive reorganization in the W. P. T. B. a short time ago, two men by the name of Mackenzie appeared at the top of the list.

One of these was Hugh Mackenzie, on loan from his peacetime job as general manager of Labatts of London.

The other was M. W. (Max) Mackenzie, who succeeded Donald Gordon last October as chairman of the management committee of the Foreign Exchange Control Board and who has now joined the Prices administration to take charge of "Supply, Distribution and Rationing."

Max and Hugh are first cousins.

Hugh's father is the famous actuarial wizard, Prof. M. A. Mackenzie, now living in active "retirement" at Oakville after his long years of brilliant work at University of Toronto.

Max Mackenzie's father was H. B. Mackenzie, a younger brother of the professor. He was for many years general manager of the old Bank of British North America. In 1929 he succeeded Sir Frederick Williams-Taylor as general manager of the Bank of Montreal. Unfortunately he died six months after his appointment.

Max Mackenzie was born in Victoria, B.C., 35 years ago. At that time his father was manager of the B. of B. N. A. in that city. At two months he was moved to Winnipeg; at two years to Montreal. Until Governor Towers of the Bank of Canada called him by telephone in Sept., 1939, to join F. E. C. he had spent practically all his life in that city.

He graduated from McGill in 1928 and joined the accounting firm of McDonald, Currie. Because he has had a ringside seat in seeing Canada's wartime controls created and administered he thinks himself immensely lucky.

He feels that his title "in charge of Supply, Distribution and Rationing" is a considerable overstatement. Essentially, as he sees it, the overall price ceiling is being operated by self-regulation on the part of industry and services. The bulk of the load is being carried by businessmen themselves, working through self-appointed committees and their own administrators. His job (barely three weeks old) is to channel and co-ordinate so that the whole machine may run a little more smoothly.

Working with Mr. Mackenzie in the rationing field is a fellow-classmate from McGill (Boyd Millen) who gets the lion share of credit for having registered and sugar-rationed 12 million Canadians with a speed and simplicity never approached before in this or any other country.

Supply problems are the special responsibility of W. (Bill) Park on loan from his peacetime job as head of the merchandising office of T. Eaton Co. No one has been named as yet to study the special new problems of making sure that goods are distributed evenly and adequately across the country.

Max Mackenzie is well over six feet tall, is married and has three children.

• • •

Oil Man From Beginning

When Alex. C. Morris was 19 years of age he left his home at Caledon, Ont., and obtained a job with Canadian Oil Co. in Toronto. His education prior to that he obtained in the Caledon public school and he followed this with study at nights at the British American Business College in Toronto.

MR. MORRIS

Recently this same man was appointed vice-president and general manager of Canadian Oil Companies, the company which succeeded Canadian Oil Co. in 1908. All his business life has been spent with the same company. He started in Toronto as a salesman, became Ontario manager and when the territory was split, went to London, Ont., as manager.

Throughout this period of about 33 years, Mr. Morris has been a salesman of petroleum products, advancing step by step until he moved from his last previous position in charge of the commercial and industrial department to the vice-presidency and general managership, succeeding Frank C. West who retires after 33 years with the company.

Mr. Morris claims that his major function in his last job was "handshaking," but by "handshaking" he was able to sell petroleum products to railroads, bus companies, street car companies, war plants, industrial firms of all kinds to say nothing of governments, Dominion, provincial and municipal.

Canadian Oil Companies is one of the two Canadian oil companies making a complete line of lubricating oils (Imperial Oil is the other and British American Oil is building a new refinery for this purpose). This has been a specialty with the company since its earliest days. When Mr. Morris started with it in 1907 the two products made and sold were lubricating oils and kerosene. Its refinery was and still is at Petrolia, Ont., centre of one of the oldest oil fields on the continent.

Since then Canadian Oil Companies has expanded its line to include everything from heavy fuel oil to fly spray. In the marketing of these products, Mr. Morris has played a steadily growing part which has made him familiar with its operations from the Rockies to the Atlantic. He has seen it grow from the time of its small independent beginning and early financial difficulties, through the long period of association with the National Refining Co. interests of Cleveland, Ohio, and into the present regime when the company is associated with the interests of the Montreal firm of Nesbitt, Thomson & Co.

Mr. Morris is married and has found time to take an active part in the activities of Empire and Kiwanis Clubs. For the latter he is a past-president of the "Downtown Toronto" Kiwanis Club and one of the founders and original chairman of the Kiwanis Boys' Club in Toronto.

Other People's Views . . . .

The Canadian Editorial of the Week

Courage and Work

Winnipeg Tribune

Mr. Churchill's speech in the House of Commons makes clear the full measure of disaster that befell our arms in Libya. He warns us that we must brace ourselves for more grave news though, the battle of Egypt is by no means decided. Not since the fall of France, according to Mr. Churchill, have we faced such peril to our cause.

The times call for realism and Mr. Churchill has given it to us. But the times call also for courage, and would that we all could capture some little part of Mr. Churchill's great-hearted courage.

This war has seen disaster piled upon disaster, yet none but the faint heart can doubt the ultimate victory of the United Nations. But each new disaster prolongs the war and postpones that victory.

For us in Canada, Tobruk was not just one of those "unhappy far off things." It was a fearful blow to Canada and put it up to Canadians, more than ever, to throw their last ounce into the fight. How anyone can imagine that Canada can "get by" with some sort of limited participation passes our comprehension, in the light of world news.

The rumble of Rommel's tanks drowns out the manpower debate at Ottawa. The demand for a total war effort will be more grimly insistent than ever. You cannot beat enemies like Rommel with half measures. We need national courage in leadership and limitless work by the whole nation.

• • •

Stop Me If . . .

An old negro was complaining that the railroad would not pay him for his mule, which it had killed, and would not even give him back his rope.

"What rope?" his friend asked.

"Why," he answered, "de rope dat I tied de mule on de track wif."

The Mail-box

Wool Price Too Low?

Editor, The Financial Post:

The Canadian Wool Board, Toronto, put a ceiling price on wool at a ridiculously low price and then placed an embargo on it being shipped to the U.S.A., a market we have always had for our fine western wools. But no ceiling was placed on the wool growers' expenses, wages, shearing, dipping, lambing, rentals, taxes, etc., all of which have advanced.

Wool growers report increased cost of operation of at least 25%, and in some cases more. Yet independent shippers of wool are forced to take a price less than last year. With no ceiling and no seizure in effect, wool would have sold readily at 50 cents a pound. Under the Wartime Prices and Trade Board set up, a man with a thousand ewes is out of pocket at least $2,000. What other class of citizens are being forced to make similar sacrifices?

The Lethbridge Herald in a recent editorial stated it was a very short sighted policy on the part of the Government to place a ceiling price on wool at 22 cents to 25 cents and expect growers to increase their flocks. This is an opinion with which all Western Range men agree. Production of wool and mutton is one of the depressed industries of the west and the recent action of the Canadian Wool Board only tends to depress it further.

If our Government wanted more wool they should do something to encourage its production instead of legislating against it.

Canadians should rise up in protest against a Board that will penalize the wool grower, place a ceiling price on wool in war times so low as to discourage its production and force civilains to accept shoddy, wool waste, cotton and warp as substitutes for pure wool, when there could be an abundance for all.

J. Alfred Ririe.

Ririe Bros.,
Magrath, Alta.

As Others See Us

Profits From War

Picton Times

People who are called upon to make sacrifices think that "war profits" means high profits, higher than usually made in any line of business.

Along this line The Financial Post made a special survey and it was found that more than half of the net income of the companies were paid in taxes. Companies were busier than usual, employed more workers and had a larger output. "Normally," says The Post, "these profits would have been considerably higher. Actually the profits (after paying taxes) were up only 3%, while taxes had advanced 269 per cent since 1939."

Thus it will be seen that while there has been an increase in business, after taxes are deducted, the manufacturer's profit is below normal times. But they are doing the country a very valuable service. Although their profits are small, the increased business has given a great number of men employment who, a few years ago, were on relief, although willing to work, and they have restored confidence and built up a better morale in the people generally.

• • •

Maintain Tourist Traffic

Sault Ste. Marie Star

Touring is not going to be abandoned entirely and the case for at least some attention to putting forward what Canada has to offer is put clearly in the following extract from The Financial Post, Toronto.

"Obviously our American friends cannot be asked this year to come and throw away mileage, burn up gas and tires along our highways under the critical conditions which now prevail. But wouldn't it be the best possible common and business sense to tell our good friends how much we will miss them if they do have to stay home?"

Tourist visitors this year will probably be more inclined to stay in one spot for their holiday rather than wandering about as many ordinarily do and there will probably be fewer motorists and relatively more travelling by train. But Canada will not entirely lose its revenue from this source.

• • •

Postwar Immigration

Simcoe Reformer

The Financial Post says that western Canada is talking much about postwar immigration, emphasizing—vehemently—that newcomers be from the United Kingdom or northwestern Europe. The whole problem should come under careful consideration at once so that Canada will be prepared to do the wise thing the moment peace is declared.

• • •

Newfoundland Opposed

Ottawa Journal

The Financial Post, reviewing the suggestion that Newfoundland be taken into the Canadian Confederation, solicited 26 opinions from prominent Canadians and 14 from prominent Newfoundlanders. Of the Canadians 17 answered forthright "Yes," and nine were against or qualified their replies; of the Newfoundlanders, including the editor of St. John's Daily News, 10 were definitely "No" and four extensively qualified their opinion.

This result seems to confirm what was said by an editor of The Journal that annexation to Canada had been a political football in many Newfoundland elections always to be voted down; that local patriots in the Colony were still violently opposed to it; and that Canada had already enough troublesome interprovincial problems without taking on more.

Sentimentally, Newfoundland should be a part of Canada, but it just wouldn't work.

Sayings of the Week

"To some of us this war means only a cut down in tea parties, sugar and joy riding."—*Captain W. Young at a special Kitchener (Ontario) Drumhead Service.*

• • •

"The best way to solve the (Western farm) debt problem is to put agriculture on a basis for the farmers to pay their own way." — *Premier John Bracken, Manitoba.*

• • •

"As for the inconveniences, discomforts and hardships that you and I will have to endure—why, we haven't even got to the foothills yet."—*Donald M. Nelson.*

• • •

"I predicted when I took this job that I would soon become the most unpopular man in the country, and I seem to be making progress."—*Leon Henderson, U. S. Price Czar.*

• • •

"Uniforms are only for fighting men, the brave men who are doing their duty by their country. They should not be for those who stay at home and try to have an easy time of it."—*George Black, M.P. (Yukon), in the House of Commons.*

• • •

"I can see no disloyalty in honestly questioning our leaders. Indeed, it is the highest patriotism in a democracy to refuse to become puppets of the state, mere cogs in the machine."—*Dr. Alexander G. Ruthven, president, University of Michigan.*

• • •

"I am a Canadian; and by Canada I mean every part and every Province of Canada. I mean Vancouver, Halifax, Winnipeg, just as much as I mean Quebec."—*Air Minister Power, declaring support for conscription in the House of Commons.*

• • •

"Our defeats are attributable to an excessive desire not to hurt the feelings of likeable men and to a club spirit which protects and even promotes men who have failed and are clearly inadequate." — *Walter Lippman, U. S. columnist.*

• • •

"I feel sick when I find anyone adjusting his mind to the new tyranny which is succeeding abroad . . . I resent the patronizing air of persons who find in my plain belief of freedom, the sign of immaturity. If it is boyish to believe that a human being should live free, then I'll gladly arrest my development and let the rest of the world grow up."—*E. B. White in "One Man's Meat."*

What the Papers Are Saying

Made Friends and Kept Them

Kingston Whig-Standard

In the death of Victor Tyrrell, Vice-president and Managing Director of the MacLean Publishing Company of Toronto, the Canadian publishing business has lost an outstanding figure. He had worked his way up from the position of a typesetter on the Canadian Grocer in its early days, to the position of Vice-president of the company which published it, and had at the same time seen the MacLean Publishing Company grow to be one of the largest publishing firms in the British Empire.

Victor Tyrrell was a man who made warm friends and kept them. His passing will be sincerely mourned by scores of such men from Halifax to Vancouver.

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New York: 522 Fifth Ave.
Chicago: 309 West Jackson Blvd.
London, England: Quadrant House, 55 Pall Mall, S.W.1.

Clothiers Experience a Precarious Boom

Expanding Volume Brings Prosperity Shadowed by Supply Shortages

By **ARTHUR D. ELLWOOD**

Retailers of men's furnishings of all kinds are unusually happy about business conditions.

Price control, despite the grief it has meant to some other types of retail businesses, has not brought particularly difficult problems to men's furnishing stores. They have met advancing costs in their own businesses due to wages and supplies such as wrapping paper and boxes in particular.

But their sales volume is away up since the war started as indicated by the Dominion Bureau of Statistics (the index for May this year is 68.3% above May, 1939). And they operate on a relatively large gross margin of 40 to 50% on manufacturers' selling prices.

Growing sales volume and large gross margins have meant prosperity for hundreds of large and small stores selling men's clothing in Canada.

Clothing men realize that after Sept. 1 this year, deduction of income taxes at the high rates now to be applied is likely to mean less free spending for all kinds of goods, including men's clothing. Inventories which are now considered ample may be sadly depleted before many months.

This supply situation is a major worry but one largely of the future. Beginning with the spring season of 1942, makers of men's clothing such as shirts, underwear, sox, hats, braces, etc., began to allocate available supplies to customers on the basis of previous sales.

There are four regular buying seasons for men's furnishings in Canada corresponding to the calendar and weather seasons. Prior to this year retailers saw their sales volume rising steadily and sometimes spectacularly, moving in close relationship to payrolls. Fearing both higher prices and interruption of supplies, retailers made substantial increases to their stocks of goods wherever they could.

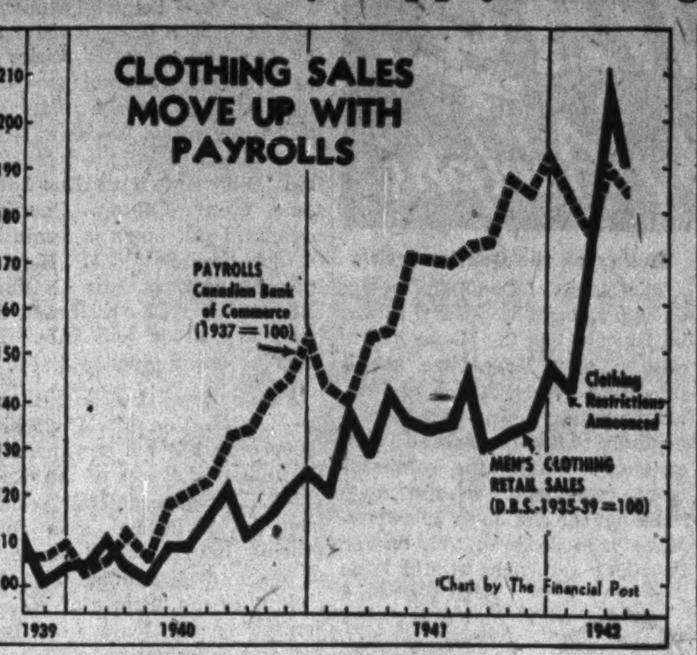
Allocations Plan

The allocations plan now in use by most manufacturers of men's furnishings gives retailers about 70% of the amount of goods they bought from each maker in the corresponding seasonal buying period a year ago. Retailers are not allowed, however, to concentrate on the best selling lines. Where more than one line of a particular grade of shirts, for example, is offered, the line may be divided into three classes according to design or other characteristic. Retailers must divide their order between all three lines on a pre-determined ratio which depends on the amount of cloth available in each style.

The effect is that retailers who specialize on branded lines have practically no opportunity to increase their inventories at present and must suffer a steady depletion as the 70% quota is unlikely to keep pace with sales. On the other hand, they are assured of getting what they are allocated, something which was far from certain previously. They are less likely to have the experience reported by one retailer recently to The Financial Post who said he had just received a shipment of boys' sweaters which had been expected last February in time for the spring season. Now it will go on sale for Fall, just six months late.

New Silk Shirt Era

An interesting outgrowth of the substantial increase in spending power on the part of factory workers in particular is a flood of inquiries for silk shirts, something which seems to typify prosperity. Today, however, they are certain to be denied this opportunity for blatant display of their war-inspired prosperity simply because our need for parachutes and powder bags is far more imperative than the factory worker's desire to wear silk shirts. There are no silk shirts today and mighty few articles made of silk left in stock.



Value of Branded Lines

Problem of determining exactly what his legal price ceiling for practically all lines of men's furnishings is simplified for the man handling branded and nationally advertised lines made by leading manufacturers. On these lines, which account for a major share of the total sold, the selling price is set for him. He handles shirts at perhaps $2, $2.50, $3 and $3.50 each, neckties at 75 cents, $1, $1.50 and $2 each and other lines at similar recognized prices. The manufacturer does most of his price ceiling work for him.

For the man handling goods not selling at established prices in this way the problem of determining just what his legal ceiling price is is not quite so simple but it is largely determined by the maximum 40% ruling of W.P.T.B.

Retailers who sell unbranded, lower priced lines are not in quite as simple a position as are those who handle nationally advertised lines on which prices have been established by the manufacturer.

Recent rulings by W.P.T.B. allow the retailer an average maximum mark-up of 40% on men's and boys' shirts, pyjamas, underwear, boys' blouses and shirtwaists. Manufacturers are allowed an increase of not more than 12% over prevailing prices as of January-February, 1941.

Price Rise Prevented

Several months ago shirt manufacturers wanted to boost the price of their products. Their costs were up; wages were higher and fabrics more costly. They proposed a price increase which would have made the popular $2 shirt retail for $2.50 but W.P.T.B. said no. A compromise was worked out whereby the $2 shirt—always a leader in sales volume—still sold at $2. Most of the price increase proposed was absorbed by the shirtmaker and the maker of the fabric; retailers were left to absorb about 4% or less which has to come out of their gross margin.

Recently shirtmakers have announced a small reduction in their prices to retailers for branded shirts. Fancy printed shirts, made to retail at $2 each, now cost the retailer $14.75 a doz. instead of $15. Fancy printed two separate starched collar shirts cost the retailer $16.25 a doz. instead of $16.50. Manufacturers also agreed to put a better quality cloth in their $14.50 collar-attached white shirt lines.

In spite of these measures, clothing men admit something which the buying public everywhere has felt certain was the case for some time past. There has been a real increase in prices due to changed specifications. Cloth going into the leading $2 shirt lines, to use this illustration again, is not the cloth it was before the war.

One retailer who features a number of private brands, however, gave The Post some indication of how much a $2 pre-war shirt of similar quality would cost today. In this particular case it was a woven pattern material used that came from Great Britain. This firm has been granted permission by W.P.T.B. to sell its latest shipments of this shirt at $2.50 retail. The price increase of 25% probably represents a fairly close approximation of what has actually taken place in the way of concealed price increases.

Not a great deal of woven-patterned shirting is made in Canada and we depended on Britain for our needs. No more is coming from Britain now but there are relatively good stocks on hand, perhaps enough to last almost a year. When that is gone we will have to depend almost entirely on printed materials or plain colors.

Service Reduced

Wartime exigencies have forced other changes throughout the business. Makers have simplified their lines everywhere, designed underwear and pyjamas without elastic belts, taken off unnecessary buttons, pleats and other frills, all with the assistance of W.P.T.B.

Few of these affect the retailer directly. They report that the public generally has accepted wartime conditions philosophically and that no more of their time is taken up with customer complaints than formerly.

They have an answer for obdurate customers. Most display prominently the W.P.T.B. poster which sets limits on deliveries or pick-ups, fancy packages, exchanges except under conditions officially established. For a time there was talk of scarcity of wrapping paper but that has pretty well evaporated. You will see less fancy colors in wrapping papers, however, with most retailers using standard brownish paper now in place of greens or blues or grays which used to be popular, the only fancy gift packaging now available is that ordered earlier in the year or in stock from previous seasons. One retailer who spent $560 for boxes and packages a year ago is spending another $80 this year.

Relatively few of the items handled by men's clothing stores are affected by the new 25% tax on luxury items. Cuff links, collar buttons, collar pins and clips, formal dress accessories are among the few items handled on which the new tax must be paid.

Retailers are likely to watch their cash discounts more closely—manufacturers are throwing out discreet hints that the customer who pays his bills most promptly is likely to get most favored treatment on supplies. They are also warning that retailers cannot expect any greater lines of credit than they had previously.

The impression is that retailers of men's furnishings may be living in a prosperity that is bound to end. Some suggest that there will be casualties in their business before the year is out, caused primarily by supply factors rather than price control.

The Week in Business

Feature of business figures this week is the upward move in the Dominion's cost of living index. Said to be primarily due to higher meat prices, the latest level also brings into play other stages of Canada's complicated wartime control system. With another rise forecast for July figures, a higher cost of living bonus seems assured when the next period for quarterly adjustment rolls around in August. Already a rise of 30 cents in weekly bonus is justified.

Cost of living index at 116.7 at June 1 is up from 116.1 at May 1 and indicates a rise of 15.9% since the war started. This is the third consecutive rise in this index.

Retail sales for May were down considerably from April. The index for the latest month at 149.1 compares with 155.7 for the previous months and 134.5 a year ago. Country store sales continue to hold above a year ago with May indicating a rise of 11.7%.

Employment in industry rose farther in May. For all industries the index stands at 167.4 against 165.2 in April and 145.5 a year ago. For manufacturing industries alone, the index at 202.3 for May is up 2.9 points from April and 40 points above May last year.

Payrolls continue to rise faster than employment with the latest D.B.S. index at 124.0 for May compared with 121.6 for April and 119.4 for March.

Construction contracts awarded in June this year at $46.8 millions are down about $39 millions from last year. For the first six months the decline is $80.5 millions, or 37.4%.

Electric power output for May this year is well above the same month last year and for the first five months a gain of 18.1% is reported.

LATEST FIGURES AND INDICES

New items this week marked ■

	June	May	Apr.	Mar.	Year Ago
The Financial Post business index	....	*168.5	168.0	168.2	157.1
Dom. war expend. (million $) ...	....	204.9	142.2	....	90.3
Dom. total revenue (do.) ...	....	333.9	170.8	....	224.4
Dom. total expend. (do.) ...	....	386.2	247.5	....	130.8
■Retail sales index no.	....	149.1	155.7	161.4	134.5
Dept. store sales index no.	....	140.5	148.5	156.9	129.2
■Wholesale sales index no.	....	158.6	154.5	155.4	148.6
■Country store (% change pr. yr.)	....	+11.7	+14.0	+13.8	+8.8
■Divd. payment index♠	121.8	120.9	121.0	121.1	119.6
■D.B.S. index	116.7	116.1	115.9	115.9	110.5
■All industries	....	167.4	165.2	165.1	145.5
■Manufacturing	....	202.3	199.4	195.7	162.3
■Payroll (June 1/41=100) (b)	....	124.0	121.6	119.4	....
Payroll index (a) (1937=100)	....	....	186	191	156

			Jan. 1 to date		%
RAILWAYS—	1942	1941	1942	1941	Change
■Carloadings (week June 27)	67,336	62,475	1,639,199	1,493,723	+9.7
■C.N.R. gross (week June 30)	$ 10,358,000	7,843,000	169,415,000	141,715,000	+19.6
■C.P.R. gross (week June 30)	$ 7,076,000	5,910,000	121,033,000	99,840,000	+21.2
C.N.R. net revenue (May)	$ 7,769,691	7,788,841	30,072,950	25,279,769	+18.9
■C.P.R. net revenue (May)	$ 4,233,560	4,181,819	17,773,718	15,851,390	+12.1
IRON AND STEEL—(May)—					
Pig iron production (tons)	171,386	127,259	806,039	574,827	+40.5
Steel ingots and castings prod. .... (tons)	272,247	230,843	1,305,075	1,076,624	+21.2
AUTOMOBILES—(Number)—					
Passenger Cars:					
■Domestic sales* .. (May)	849	10,158	13,570	49,984	—72.9
Factory output ... (Mar.)	3,192	12,093	11,430	34,730	—67.1
Trucks and Buses:					
■Domestic sales* .. (May)	811	4,331	11,271	17,216	—34.5
Factory output ... (Mar.)	16,996	13,951	50,690	38,219	+32.6
Financing:					
Used .... (May)	$ 1,839,637	6,906,661	7,795,467	23,180,166	—66.4
New .... (May)	$ 473,228	5,272,038	4,845,483	18,922,008	—74.4
CONSTRUCTION—					
■Contracts awarded . (June)	$ 46,756,200	85,747,500	134,947,200	215,466,600	—37.4
■Cement prod., bbls. (Apr.)	619,907	568,681	1,602,615	1,531,733	+4.6
AGRICULTURE—					
■Flour prod., bbls. .. (May)	1,481,449	2,121,397	8,390,031	7,898,523	+6.2
Flour exp. bbls. ... (May)	921,843	1,340,686	4,755,927	3,711,216	+28.1
Cattle sales▲ ...... (May)	72,939	80,191	432,270	393,622	+9.8
Hog sales▲ .... (May)	496,136	444,858	2,722,179	2,510,235	+8.4
SEA FISHERIES—‡					
Catch, cwts. .... (Apr.)	347,300	373,300	2,389,840	1,709,800	+39.8
Landed value ...... (Apr.)	$ 1,318,000	1,068,000	3,587,300	2,786,000	+28.7
NEWSPRINT—					
Production, tons ... (May)	251,831	284,767	1,415,412	1,347,437	+5.0
Exports .... (May)	$ 11,868,000	12,572,000	62,153,000	56,489,000	+10.0
MINING AND OILS—					
Coal prod., tons .. (Apr.)	1,511,872	1,232,801	6,749,256	6,059,162	+11.3
Coal import, tons .. (Apr.)	1,731,543	516,736	4,487,581	2,258,129	+98.7
Gold rec., fine oz. . (May)	393,710	448,436	1,971,493	2,134,248	—7.6
Crude oil, imp. gals.† (Apr.)	126,338	79,922	375,088	261,046	+43.7
ELECTRIC POWER OUTPUT—(May)—					
■Total monthly, 1,000 kw.h.'s	3,174,764	2,805,394	15,569,184	13,172,325	+18.1
FOREIGN TRADE—♦					
Imports .... (Apr.)	$141,946,063	106,268,419	548,514,620	[illegible]2,264,731	+36.3
Exports .... (Apr.)	169,997,596	118,393,094	667,451,667	4[illegible]0,828,290	+62.5
OTHER INDUSTRIAL FACTORS—					
Dressed lumber exp.: 1,000 bd. ft. ...... (May)	172,854	152,756	701,305	782,052	—10.3
Shoes, prod., pr. ... (Apr.)	2,774,128	2,691,248	10,785,695	9,332,440	+15.5
Cotton consump., lb. (May)	17,064,741	16,502,650	84,656,640	82,704,476	+2.3
Raw rubber imp. lb. (Apr.)	17,023,133	5,669,217	38,523,612	36,901,434	+4.4
Cigarette cons., No.† (May)	771,478	654,333	3,848,212	3,143,561	+22.4
Sugar manufactured .. lb.§	90,187,029	87,221,405	1,199,719,338	1,137,792,237	+5.4
FINANCE—					
Bank debits† ...... (May)	$ 3,790,964	3,265,872	17,824,665	14,569,469	+22.3
■Bond sales† .... (May)	$ 92,329	365,348	1,719,321	686,648	+150.5
Life insurance sales (May)	$ 40,336,000	36,172,000	194,882,000	160,596,000	+21.8

*D.B.S. All Canada figure covering 90% of the Canadian total.
‡Unrevised figures covering N.S., P.E.I., N.B., Que., B.C.
▲Total at yards and plants.
†000's omitted. §For four weeks to Dec. 31. ♦Gold excluded.
♠Supplied by Nesbitt, Thomson & Co. *Preliminary.
(a) Compiled by Canadian Bank of Commerce. (b) All industries.

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Saskatchewan Elections May Bring Major Shift

From Our Own Correspondent

REGINA.—Provided crop conditions continue favorable there will be a provincial election in Saskatchewan this fall. That opinion appears to be general among both opponents and supporters of the present government.

This fall will see the Patterson government at the end of its second four year term. It could continue until well, in 1943 and from then on, as a war measure, extend its life one year at a time for the duration. But in a fairly wide survey of public opinion The Financial Post did not hear a single individual predict such a course.

Most serious opposition facing the government is believed to be the provincial C. C. F. Social credit seems to have petered out and the Conservatives are admittedly not strong enough single-handed to elect a majority. Many neutrals seem to think that the C.C.F. has a good chance of winning by a slim margin, while members of opposition parties seem to be quite sure that Premier Patterson's Liberal regime is definitely doomed.

Conditions Improve

There are other neutral observers who believe the C.C.F. strength has been greatly over-estimated and that the return of reasonably good times for the Saskatchewan farmer has undermined a party which in the past has concentrated on capitalizing economic discontent.

Certainly, general conditions have vastly improved since the last provincial election four years ago.

Back in the black period between 1932 and 1937 there were large areas dried out in Saskatchewan where wheat growers never got their seed back and would have starved had not flour been brought in from outside. Now all is changed, and in addition, the few industrial plants of the provinces are busy, practically the only unemployed today are those who cannot or will not work.

Patterson Record Good

On top of this improved economic situation Premier William Patterson is conceded on most sides to have given generally satisfactory government. There have been no major scandals and there has been improvement in the province's still serious financial affairs. About the only criticism opponents cite, is lack of colorful leadership, existence of ex-Premier Gardiner's famous Liberal "machine" and the loss of two of the most promising men in the Cabinet, Messrs. Davis and Taggart, the first elevated to the bench, the latter loaned to the Dominion Government as food controller.

In some quarters it is claimed that government strategy will follow one of these two courses:

1—Emulate British Columbia and try to form an alliance with Conservatives in order to insure defeat of the C.C.F.

2—Lacking the Liberal-Conservative alliance then endeavor to get a Conservative nominated in each riding and thus split the main opposition vote.

The C.C.F. party, it is claimed, will make an effort to select more responsible and experienced candidates than has been its custom, so that they will be in keeping with the more prosperous times. For leadership it will probably recall from the Ottawa House T. C. Douglas, prominent in federal C. C. F. circles.

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Coffee Shops on Wheels Ease Diner Congestion

Cafe cars — "coffee shops on wheels"—are being introduced by the Canadian National Railways to ease the load which wartime passenger traffic has placed on dining car services.

Eight of the streamlined diners are being put in use immediately on trains which carry a large proportion of local traffic in addition to through traffic.

Modernistic in design, the "coffee shop" car seats 40, as compared with 30 to 36 seated by a standard diner. The tables have metal legs and tops of a hard, indestructible, easily cleaned composition. Tablecloths are not used but napkins are provided. Passengers sit on continuous rows of seats which run along either side of the car, facing the middle.

Kitchen is in the centre of the car, splitting it into two compartments, and has a serving pantry at either end. This speeds up service.

Food in the "coffee shop" car will be the same as that served in the conventional diner.

Noorduyn Sets Output Record

Output in First Half 275% Over Like Period of 1941

MONTREAL. — Noorduyn Aviation Ltd., set up a new production record in June. Output was greater than that for any previous month by 75%. The June output alone, according to the company, substantially exceeded that of the first six months of 1941.

Production for the first half of 1942 was 275% in excess of that for the same period of 1941.

The company manufactures the North American Harvard advanced training planes, as licensee in Canada, and the Norseman transport planes of its own design, also used in training of radio operators for the Commonwealth Air Training Plan and for the U. S. Army.

B. C. Apple Men Get Govt. Aid

Crop Guarantee Considerably Higher at $1,265,000 1942 Harvest

From Our Own Correspondent

VANCOUVER. — Okanagan apple growers were heartened last week to learn that the Canadian government had set aside $1,265,000 as a guarantee for the sale of the 1942 crop, considerably more than was provided last year.

It seems unlikely that the entire amount will be needed. Last year, only about one half the appropriation at Ottawa was paid to the industry, largely because of an unexpected order from the United Kingdom for 1.2 million boxes, which strengthened the whole market situation.

This year, however, with a crop likely to be at least 500,000 boxes heavier than in 1941, there is small prospect of British orders. Main hope of the orchardists is to sell more in the domestic market.

Under the agreement with Ottawa, the government agrees to assist in marketing a maximum of 4,750,000 boxes, "less any quantity sold by the Board outside Canada."

The agreement is between the government and the British Columbia fruit board. It is expected that the sum actually required this year will be about $1 million.

London Calling

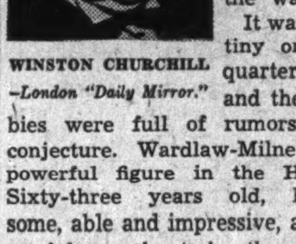
by Adelphi

London has gone grim again. The glow of optimism that followed the 1,000-bomber raids on Germany has been rudely extinguished by the events in Libya. Once more the British are facing a harsh and cruel summer. They are steeling themselves against bad news, knowing that the Germans have the initiative and that they will press it to the limit. No one tries to minimize the blow that Tobruk has been to our prestige or to deny the threat which is now aimed at our Empire life line in the Middle East.

The only light relief from the gloomy picture was the Ministry of Food announcement saying that no more ice cream would be made. Ice cream in England has never reached either the quality, the variety or the popularity of ice cream in the new world. Its sale is mostly confined to bicycle-propelled carts with the famous slogan "Stop me and buy one." Small boys are the principal customers and needless to say there are dark looks today among them.

Mutiny on the Quarter-deck

The House of Commons met in an angry mood. Mr. Churchill was in America and the House had to put up with Mr. Attlee as his substitute. When Attlee had finished reading his prepared statement he was bombarded with questions. Finally the bombardment culminated in the open challenge of Sir John Wardlaw-Milne who declared that on the Premier's return he would table a motion that the House had lost confidence in the central direction of the war.



WINSTON CHURCHILL
—London "Daily Mirror."

It was mutiny on the quarter-deck and the lobbies were full of rumors and conjecture. Wardlaw-Milne is a powerful figure in the House. Sixty-three years old, handsome, able and impressive, a successful merchant in the outer Empire, a good speaker, Chairman of the Selective Committee on National Expenditure, and no mean tactician, it was felt that at last we would see a powerful challenge to Churchill's position.

In politics, however, the way of the rebel is not easy. Lord Winterton and Emanuel Shinwell, who have been doing a sister act for the last year as critics of the Premier, were not sure that they wanted to serve under the jolly roger which Wardlaw-Milne had hoisted. Then the irrepressible "Bill" Brown and his handsome crony Captain Cunningham-Reid put down a resolution of their own. So did Mr. Henderson Stewart of the National Liberals. Mr. Churchill will not have to "divide and rule." His enemies are divided already.

At the same time it must not be thought that Mr. Churchill's Government is not weakened by the unhappy events of the desert battle. No government presided over by a normal man could possibly have survived the series of disasters beginning with the sinking of the "Prince of Wales," continuing with Malaya and Burma and culminating at Tobruk.

It is only because Churchill is so gifted, so outstanding in personality, because his antlers are the most towering in the forest, that he can still command the confidence of Parliament and the people. Instinct makes Britain trust her leader despite the arguments that pure reason can summon.

• • •

Churchill Walk-out?

The unknown factor is Churchill's own nervous strength and his capacity to keep his head when the critics open up on him. The temptation to walk out must be very strong. When victory comes no one could take away Churchill's glorious part in it, whether he is in or out of office at the time. Another thing is that Churchill is not a rich man and he could write a history of this war which would bring an immense sum and establish the security of his family.

Churchill, however, is not a money grubber. Even in his long years as a private member, when his writings were in great demand, he spent as much care on preparing his Parliamentary speeches as if his political existence depended on them.

He will not dismount of his own accord.

• • •

The Substitute Bench

In every country and in every century there is the cry: "Who could replace him?" I heard that in 1922 when Lloyd George was premier. I heard it when Baldwin was premier and during Chamberlain's regime. It is particularly noticeable at this time.

Churchill would be hard to replace, very hard, but there are two or three pitchers warming up, if I may venture on a baseball metaphor. Anthony Eden, fresh from the triumph of his Anglo-Russian Pact, would probably be an automatic choice if disaster overwhelmed Churchill. But would he be strong enough to carry Bevin with him or would he be a Premier in chains?

Stafford Cripps is also warming up but he is not happy. For a man of alleged shrewdness he made a blunder in joining the Government at all. He is a sort of "minder" of the House, the prefect in charge of an unruly class. He is not deputy prime minister. He does not even answer questions put down for the absent premier. As a detached critic his power would have been enormous. Instead he joined the team and finds himself carrying the water-pail instead of going to bat. He still has a big following in the country but he has badly lost ground in Parliament.

Incidentally in a field all by himself Lord Beaverbrook is hurling ball after ball to his faithful stooges who swear that he has something on the ball. The "Beaver" shares with Churchill and Cripps the honor of being one of the three biggest draws as speakers. Beaverbrook drew 40,000 people in an open-air demonstration at Birmingham.

Drew the Direct

There is considerable interest over here in the news that Colonel Drew is on the carpet for his comments on the Hong Kong inquiry. The Colonel captured the imagination of political London when he came over here last year. He arrived quietly and without any government halo, but soon the doors of every Ministry were open to him while social invitations descended upon him like confetti.

A few of us were talking about Drew yesterday when a well-known London Canadian was asked his opinion of Colonel Drew's abilities. "George is a grand fellow," he said. "He is able, intelligent, honest and idealistic. He has only two faults — he never spars for an opening but rushes right in; secondly, he suffers from the hallucination that the shortest distance between two points is a straight line."

At which he strolled away as if nothing more could be said on the subject.

"Light your Guinea Gold, Sir!"

OGDEN'S
Guinea Gold
CORK TIP CIGARETTES
ALSO PLAIN ENDS

"GOOD AS GOLD AND MILD TOO!"

Army or Arms Output— Canada at the Crossroads

(Continued from page 1)

everyone has a job. He argues that a "balanced" manpower policy should provide enough men for the armed services and war industry and that it's up to Manpower Director Elliott M. Little to turn the trick. Both Hon. Jos. Thorson and Hon. Humphrey Mitchell support Howe's view that the big army programme may hurt war industry and agricultural production.

The needs of agriculture are equally startling in terms of the next few months. Right now, bumper crops are in prospect in most parts of Canada. The need for manpower on Canadian farms between now and the peak load at August 15 is alarming when added to the demands of war industry and the armed services.

So far, Hon. James Gardiner has not entered the lists or joined the public debate. Probably because agricultural manpower is primarily a provincial responsibility. But the rumpus won't be long away if crops are left in the fields for lack of men and women to garner them in.

What seems to be brewing is not only the political repercussions of an open dispute between senior ministers, but also the physical impossibility of finding and allocating sufficient manpower to meet the prospective needs of the armed services, of war industry and of agriculture without a serious threat to the war programme.

Manpower needs of the next nine months break down roughly as follows:

CANADIAN MANPOWER REQUIREMENTS
To Mar. 31, 1943

	Men	Women	Total
Armed services	215,000	10,000	225,000
War industry	45,000	65,000	110,000
Agriculture	....	25,000	25,000
	260,000	100,000	360,000

PROBABLE SOURCES OF MANPOWER
July, 1942, to Mar., 1943

	Men	Women
Utilities and mining	— 25,000	....
Agriculture	— 50,000	....
Civilian industries and services	—115,000	— 40,000
New additions to labor market	— 70,000	— 60,000
	260,000	100,000

In addition, the seasonal need of agriculture (not included in the above estimates) is probably not far short of 225,000 men and women between now and the August 15 peak. Of this total, probably 175,000 should be men and the remainder women. These estimates are based on special studies already made or, now being tabulated at Ottawa. They indicate that at the peak of harvesting last year, the number of hired men on Canadian farms rose by about 125,000 to almost 350,000. This was the increase between May 31 and August 15, 1941.

But there are fewer hired men on Canadian farms today than there were at May 31 last year. Even to meet last year's peak of 350,000 would require possibly 175,000 more hired men by August 15. The actual requirement is probably larger than this because of bigger crops this year and increasing inefficiency of those left to go on farms. As well, probably 50,000 women will be needed for summer harvesting, fruit-picking, etc. this summer. Probably many more women will be required if the requisite number of men is not forthcoming.

One significant fact about the manpower estimates for war industry and the armed services is the substantial increase in requirements shown since the matter was last discussed in Parliament.

For example, Canada's big army programme seems to be gobbling up an unexpectedly large number of men. Last week it was reported that the August draft under NRMA would be at least 15,000 and would probably go to 25,000. This would mean a total "take" for the army in July and August (including voluntary enlistments) of 50,000 to 60,000 men. It compares with an earlier estimate by Col. Ralston that the monthly quota of enlistments, plus draftees, would be about 15,000 monthly.

Then there is the confusion as to whether the present army programme to enlist 90,000 to 100,000 men covers a 15-month period or simply the fiscal year ending March 31, 1943. Prime Minister King says the 90,000 to 100,000 men are needed during the 15-month period. He quite clearly pinned Col. Ralston down to that during his conscription speech of June 10. On page 3,521 of Hansard, the Prime Minister Says:

> "On February 10 the Minister of National Defense stated that the estimated manpower requirements of the army for service anywhere, from Jan. 1, 1942 to March 31, 1943, a period of 15 months, were 90,000 to 100,000 men."

Actually Col. Ralston did not say that. In one place in his Feb. 10 speech he referred to these figures as the requirement of the fiscal year. In another place in the same speech he refers to them as covering a 14 month period. Later (June 23) he uses the same figures and says they cover the fiscal year only.

Since voluntary enlistments in the army in the first three months of the year were about 30,000, the Ralston interpretation of the army programme increases the army's requirement by just that amount. In fact, in Montreal on June 15, Col. Ralston is reported as saying:

> "The demand for men never stops and up to March 31, 1943, the end of the present fiscal year, we will probably need 150,000 more men for the Navy, the Army and the Air Force for our overseas programme besides all the additional men we may need for home defense."

If to this figure of 150,000 is added the present strength of the armed forces plus a draft of even 5,000 men in each month after July and August, the armed services manpower requirement increases by March 1943 to approximately 700,000 men. As well, there are the 18,000 additional women that will probably be enlisted by that time.

Hon. C. D. Howe, Minister of Munitions and Supply, has also been doing some accelerating arithmetic.

On. Feb. 10, 1942, Col. Ralston quoted Mr. Howe as estimating 600,000 men and women employed directly or indirectly in war industry, of whom 75,000 were women. He stated that by "the end of the year" (presumably he meant fiscal year) the number of additional war workers required would be 100,000, making "700,000 men and women engaged directly and indirectly in this essential part of total war." Similar figures were used by Prime Minister King on June 10.

Mr. Howe Revises

But on June 16, 1942, Mr. Howe made some new and entirely revised calculations.

He placed the number of men and women engaged in war industry (directly and indirectly) at 800,000 in place of the earlier estimate of 600,000. He stated that the needs of this programme at the present peak ("early in 1943") will add a further 110,000 men and women bringing the total to 910,000. Present employment in war industry he divided roughly into 665,000 men and 135,000 women. By March, 1943, according to H. Carl Goldenberg, director general of the Economics and Statistics branch of the department, there will probably be 200,000 women employed in war industry and 710,000 men.

Reasons why the war industry figures have mushroomed so rapidly compared with February estimates are fourfold:

1. The war programme itself has expanded since that time. (Capital assistance for new war plant and equipment has risen to something near $675 millions.)

2. The definition of "war industry" has been enlarged. For example: some 25,000 persons in the food processing industry are now included as "indirect" war workers.

3. Present returns from war plants are more complete.

4. Also many firms are undoubtedly upping their count on "war" workers in the hope that they may obtain preferential treatment under selective service regulations.

In addition to an estimate of war needs, Mr. Howe also put on the record certain figures regarding manpower requirements in other fields.

He placed present manpower strength of the armed services at about 500,000. He estimated 300,000 persons to be engaged in essential (but non-war) utilities and mining; 1,350,000 in agriculture. Assuming there are about 5,000,000 persons presently employed, this leaves approximately 2,000,000 persons engaged in civilian industries and services.

Fewer Farmers?

More detailed figures estimated by The Financial Post from authoritative sources are shown in an adjoining table. They tally closely with Mr. Howe's broad group totals. The Howe estimate included an allowance for housewives doing part-time farm work. This is not included in The Post compilation.

The table also shows approximately what may be expected to happen in the various groups between now and March, 1943.

The needs of the armed services and of war industry have already been indicated. As well, 25,000 men will probably gravitate away from non-war utilities and mining; agriculture will probably lose at least 50,000 men to the armed services between now and March, 1943, but the urgent farm problem is to get enough help between now and September. Civilian industry will be called on to give up 7 to 10% of its present working force and 130,000 men and women must be recruited from the ranks of youth who come of age, (persons formerly in retirement, housewives, etc.).

One weakness of Canada's present manpower "controls" is the fact that National Selective Service has not as yet centred authority in one hand.

No Central Control

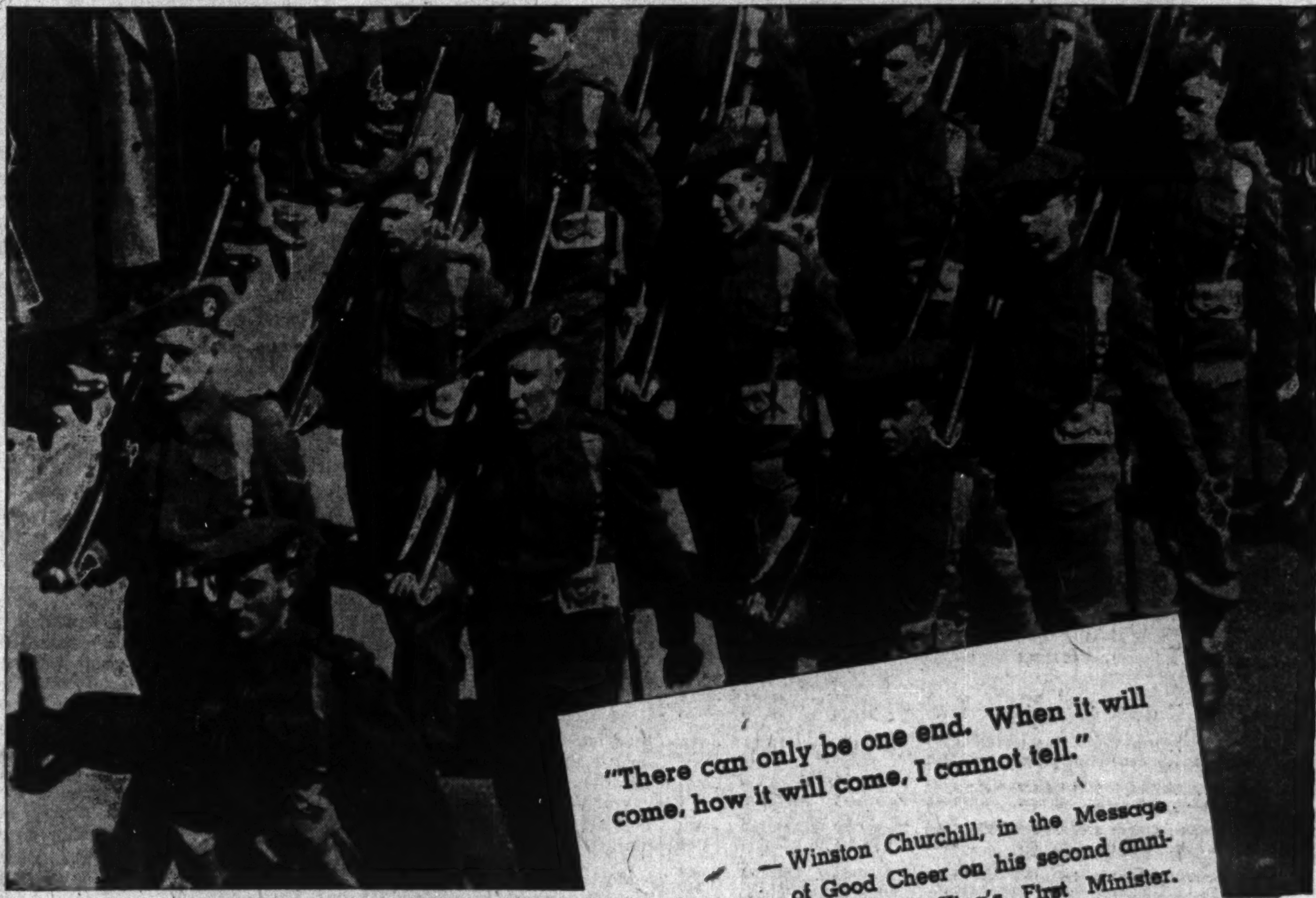
Selective service regulations have (in theory) frozen labor on Canadian farms; they have given to Hon. Humphrey Mitchell and Elliott M. Little a control over hiring and firing industrial workers. But selection and "deferments" are handled by the National War Services Department. The judicial boards set up by that department adjudicate on whether a man should enter the army or stay at his post in a war or essential industry. These boards function quite separately from the selective service officers stationed at individual employment offices throughout Canada.

Very obviously it is difficult if not impossible to make any accurate estimates about future manpower needs without knowing—

1. How great will be the reduction in non-war production through lack of raw materials and through the stringency of wartime controls?

2. How severe will be the effect on all but direct war activity by the drastic new Ilsley budget?

But the facts now available, plus the best estimates officials have, suggest that between now and next March, some 260,000 Canadian men and 100,000 Canadian women are going to be required for jobs different to what they are doing today.



"There can only be one end. When it will come, how it will come, I cannot tell."
— Winston Churchill, in the Message of Good Cheer on his second anniversary as King's First Minister.

THEY DEPEND ON YOU
...both today and tomorrow

As a leader of industry, is it not yours to see that when they come back there will be a welcome awaiting them, jobs to be filled, work to be done?

True, government must help to tide over the post-war reconstruction period. But is it wise to let government do it all?

Is there not something that you can do—that you can do now? To plan has always been, and always will be, the function of management.

A little forethought today will make the return to peacetime production so much faster, with fewer bottlenecks, quicker assimilation of employees.

You owe it to those gallant men and women on Active Service, to your employees, to your dealers, to your suppliers, to your peacetime customers—to keep alive your company's connections and goodwill—for the day when peace returns.

Post-war prosperity will depend on sales. If your consumer sale is today restricted, use the type of advertising that sustains the power of your good name.

Such "sustaining" advertising projects your goodwill into the future, bridges the dangerous reconstruction period, ensures the future of your organization in the brighter world of tomorrow.

If you are seeking a copy theme, ask to see "The Gallery of Sustaining Advertising," a collection of outstanding advertisements that have appeared in British, Canadian and American periodicals during the past year.

CHATELAINE and MACLEAN'S MAGAZINE
481 UNIVERSITY AVE., TORONTO
MONTREAL LONDON, ENG. NEW YORK CHICAGO

THE FINANCIAL POST

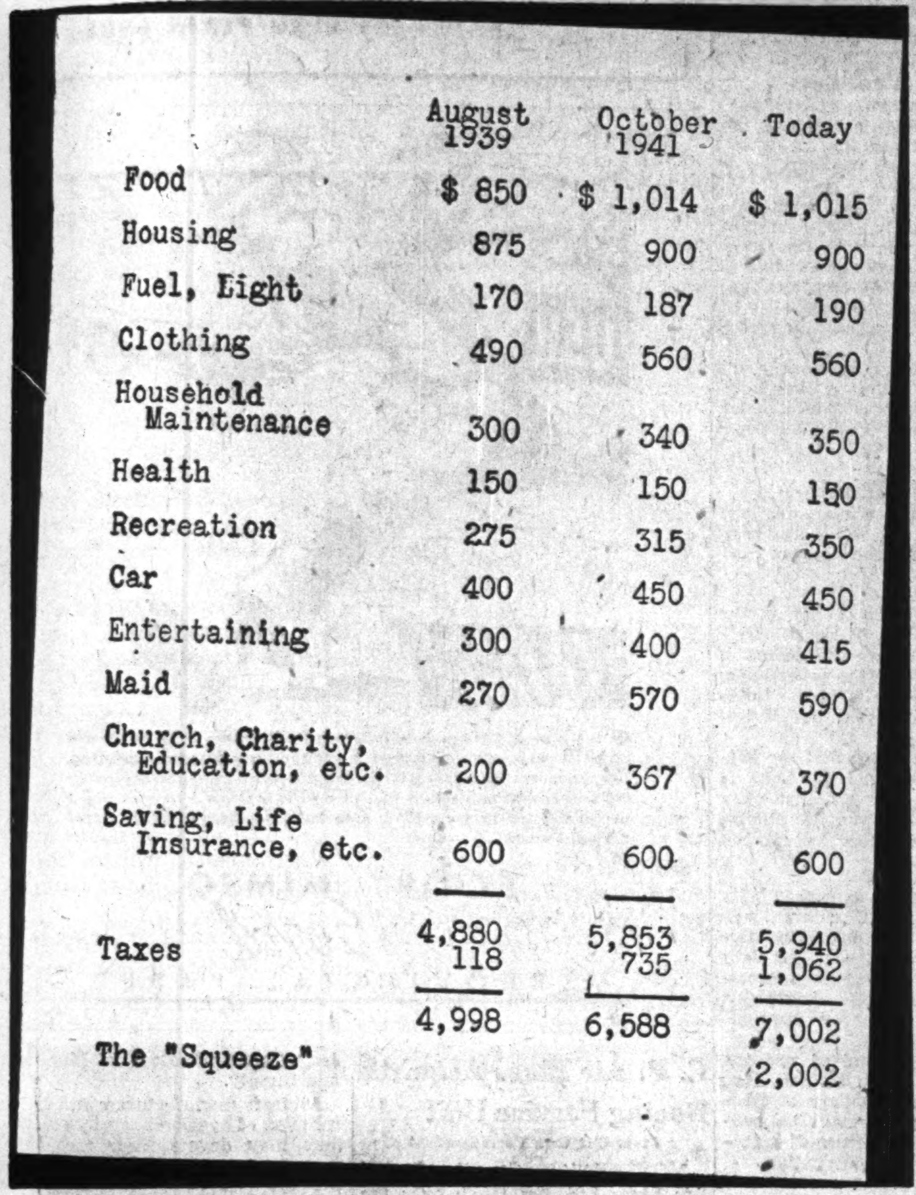
Largest Circulation of All Canadian Financial Papers

Vol. XXXVI | Member of Audit Bureau of Circulations | PUBLICATION OFFICE: TORONTO, JULY 11, 1942 | 10c a Copy; $5.00 a Year | No. 28

Paper is Needed For Victory
Do not burn or destroy this copy. See that it goes to paper salvage.

$2,000 Short of What He Needs to Maintain His Living Standards, the $5,000 a Year Man Symbolizes the "Tax Depression" Which Lies Ahead for All of Canada

By W. BRUCE MacKINNON



	August 1939	October 1941	Today
Food	$ 850	$ 1,014	$ 1,015
Housing	875	900	900
Fuel, Light	170	187	190
Clothing	490	560	560
Household Maintenance	300	340	350
Health	150	150	150
Recreation	275	315	350
Car	400	450	450
Entertaining	300	400	415
Maid	270	570	590
Church, Charity, Education, etc.	200	367	370
Saving, Life Insurance, etc.	600	600	600
	4,880	5,853	5,940
Taxes	118	735	1,062
	4,998	6,588	7,002
The "Squeeze"			2,002

Last October, The Financial Post analyzed the effects of rising living costs and taxes on a $5,000 a year man, married, two children, found he had to spend $1,588 more than he was earning to keep his living standard. In the light of the latest budget his "deficit" has jumped to $2,002, would demand earnings of $9,331 to hold the pre-war standard after allowing for taxes.

A $5,000 a year prewar standard of living would today require $7,002 a year to maintain. To hold that level the $5,000 a year man would have to draw on savings to the extent of $2,002 a year, or increase his earnings to $9,331 a year. The alternative is to accept a 37½% drop in living standards.

For civilian Canada, the most significant fact in the June 23 budget is that the Dominion government will spend close to $4 billions of a national income that may run $6.5 to $7 billions.

In his budget speech, Mr. Ilsley referred to a national income produced of around $8 billions. But national income produced is greater than the income paid out by undistributed profits and other adjustments. Latest estimate of Canada's income paid out is $5.9 billions for the year to Mar. 31, 1942. Prospect of going above $6.5 to $7 billions with many industries hit by priorities and shortages appears remote for the coming year.

For its normal living expenditures, civilian Canada will thus have some $2.5 to $3 billions of spendable income, roughly what we had in 1935.

But this suddenly curtailed spending power will have to do battle with 1942 prices. Each dollar will buy only 66% as much beef, 62% as much tea, 75% as much sugar as when we had the same number of dollars to spend seven years ago.

Beginning Sept. 1, Canada will again face a depression, but a depression different from any previously faced. Spending power will be drastically reduced but there will be virtually no unemployment. Civilians will sharply curtail consumption but there will be no plants shut down, except those which cannot obtain materials. Real wages will drop, but there is little or no chance that prices will follow. In the coming depression, war, not the civilian buyer, will control the level of prices and employment.

Although the civilian buyer is being urged to cut spending to prevent inflation, it is doubtful if his spending could now do much damage. If inflation comes, it will be from the lavish expenditures of the government agencies which now are the dominant price influence.

Typical is the case of the man with $5,000 a year, a wife and two children. Last October, The Financial Post broke down this $5,000 a year into the various expenditures. The breakdown was based on the actual experience of a couple of typical families in this income group.

It was found that what was a $5,000 a year standard of living in August, 1939, had become a $6,588 standard of living by October, 1941. In other words, that there was a deficit of $1,588, or that the standard of expenditures had to be curtailed by that amount.

By July, 1942, this deficit is up to $2,002.

Where the axe will fall will depend on individual needs, personal "priority ratings." Inescapable is the fact that maintenance of prewar standards has become utterly impossible, that many personal expenditures considered essential in some classes of business (e.g., entertaining by salesmen) will have to be scrapped. Many will no longer be able to afford housemaids, and without domestic help, many will want smaller homes.

In the example cited, taken as a representative expense account, the $2,000 deficit could be made up by discharging the maid, cutting out all entertainment, automobile, recreation, and spending $197 less a year on clothing.

Alternatively, he could make ends meet by paring expenses evenly down the list by 33.7%, if this were possible. Actually, all the reduction would have to come out above the "savings" item, since he is now assessed $600 in forced savings and any reduction in this item would only add to his tax bill. With this adjustment, his living standard drops 37.5% from 1939.

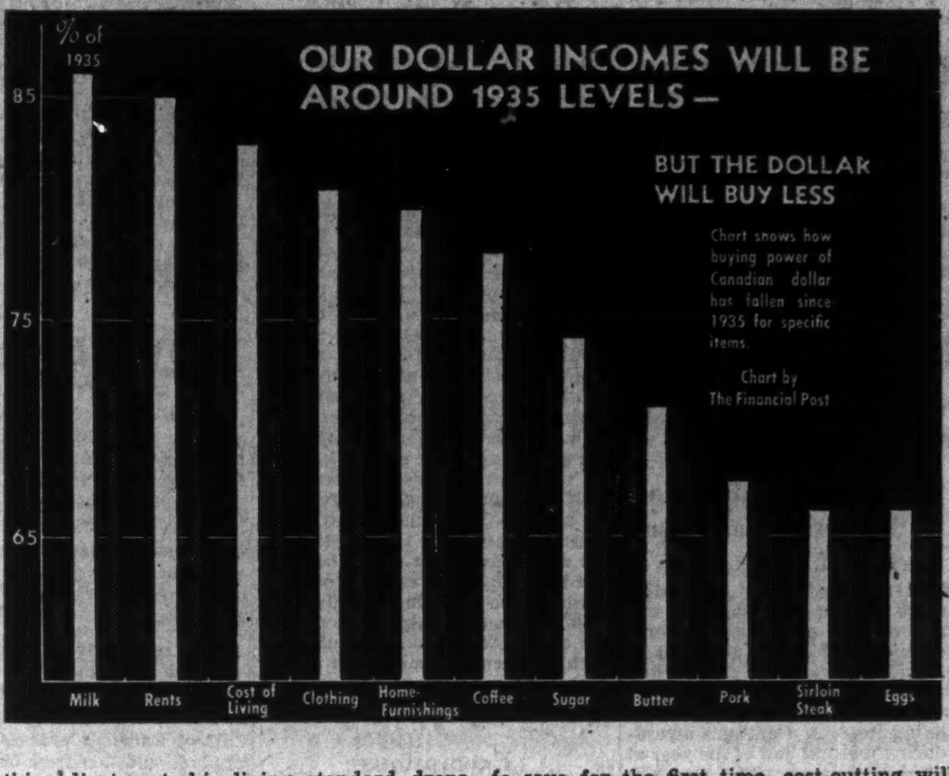


Chart shows how buying power of Canadian dollar has fallen since 1935 for specific items.

Chart by The Financial Post

To gain a tax-free, spendable income of $5,940 as shown, a man in this category would have to increase his earnings to $9,331, almost certainly an impossibility under present ceilings.

In practice, all his reduction will likely be lumped in the expenditures outlined in the first instance. Quite clearly, the new tax wipes out almost all the standards which formerly distinguished the $5,000 a year class.

Don't forget that the tax picture shown for the $5,000 a year man tells only half the story. Of the $3.9 billions to be spent by the government this year half is to be raised by taxes, the other half by borrowing.

In addition to his $1,062 of taxes, his share of war borrowings on a per capita basis is thus just about equal to $1,062.

Hardest hit in earlier war budgets, the troubles of the middle and upper income brackets are now being shared more evenly throughout the income structure. In the lower branches, now in many cases forced to save for the first time, cost-cutting will almost certainly eat into essential types of expenditure.

If Canada were now heading into the same kind of depression experienced in 1935, general conclusions on what to expect would be relatively easy to form. The semi-luxuries would be hit, more durable consumer goods (clothes), used longer. Ultimately the breakdown of demand would bring lower prices, wages, a new balance to the price situation.

But in the "tax depression" ahead, total spending will go on at an even faster rate. What Canadians cannot afford to buy for themselves will find a ready market with the government, in the United Kingdom or the United States.

Beef, for example. Already this year filling the U. S. beef import quota of 50,000 head every three months has caused acute Canadian shortages. Because of the low Canadian ceiling price, cattle drifted across the border in embarrassing quantities. WPTB's new machinery will fill the gap between U. S. prices and the Canadian ceiling, but what will happen if Canadians can no longer afford to pay the ceiling price?

Under present conditions it appears certain that the beef would be largely exported. Canadians would do without, simply because Canadians are more heavily taxed than U.S. citizens.

The same unequal division would be a strong probability in citrus fruits, fruits and vegetables imported from the U. S. in the Canadian off-season as well as with almost any commodity now being imported.

And if tax-laden Canadians try to skimp on domestic produce, the results will likely be equally drastic. Present farm prices are in most cases necessary to keep marginal farms in production, help bridge the gap caused by rising labor and other costs.

In many commodities, typically pork and cheese, the domestic market no longer is the controlling factor in prices. If Canadians cannot afford the prices paid by the British Ministry of Foods, the commodities affected will tend to disappear from the domestic market.

How acute the scarcity in domestic supplies will become will be governed entirely by where Canadians, particularly those in the lower brackets, decide to cut down expenses. Traditionally expensively fed, the Canadian may be expected to cut down on his groceries only as a last resort.

But his curtailed buying power is not likely to bring down the price of other things he buys.

In housing, there has already been reported a substantial amount of distress selling, mostly in larger homes which have become impossible to carry under today's taxes and the domestic help shortage. There has been a steady trend for the higher income home-owners to move into cheaper homes, lower income groups to move up with a tight squeeze developing in the $3,000 to $5,000 home bracket.

Although a few houses have been vacated in the expensive group, their vacant state does little to ease the housing shortage. Usually located in restricted areas, they cannot be broken up into apartments or duplexes.

Because housing is so scarce, there is little chance of rents dropping in pace with incomes. The tendency to buy instead of rent is likely to be accentuated where possible, since out of pocket expenses for carrying a mortgaged home are usually lower than straight rentals. A solution for the individual's housing and taxation problem, transfers of homes do nothing toward solving the larger national problem. Carried far enough, the trend could ultimately lead to a homeless fringe of low wage earners, another problem for Wartime Housing Ltd.

As it stands, the problems created by the sudden backward shift in spendable incomes offers no pat solution. In his budget speech, Mr. Ilsley expressed the belief that the war bill could be met without undue sacrifice in living standards. That belief will only be substantiated if Canadians can stretch their dollar enough to make good a drop of up to 50% in its purchasing power since 1935.

This Age of Fable

The Myth of Hitler's Nazi Miracle

The Financial Post presents below the second of a series of eight articles from Dr. Gustav Stolper's major work—"This Age of Fable."

A 1933 voluntary refugee from Hitler's Germany, Dr. Stolper is now serving in New York as an economic consultant. His background as correspondent for the Economist," editor of an economic weekly, member of the Reichstag and representative to the League of Nations has amply fitted him for his present work, made him a leading authority on the period of which he writes.

In the accompanying article, Dr. Stolper explodes the myth of Adolph Hitler, Creator of Germany's power.

By GUSTAV STOLPER

Of all the fables of our time, the German "miracle" is the easiest to understand and the least understood.

Several features in the success of Hitlerism seem like miracles to the world. The foreign political success makes Hitler a diplomatic genius, the military success makes the German General Staff an assembly of Napoleons, the financial success is magic and wizardry, and success in social reform, above all the abolishment of unemployment, a harbinger of a new, ideal economic system.

Who Created the German Army

Germany has been victorious in the present war—so far. She has built up the most imposing military machine the world has ever seen. She has developed a military organization of unparalleled efficiency.

Who built it up?

Adolf Hitler?

The Nationalist Socialist party?

Only the gullible can swallow that fable.

The army organization, with all its spirit and other qualities, was built up in a hundred and fifty years of Prussian ascendancy over the German nation.

In 1918 this German Army organization was beaten, but it was never destroyed. Its reconstruction actually began the day after the Versailles document was signed, and this reconstruction was borne and backed by the best minds of the German nation. Since Germany was denied the right to a conscript army, a new type of army was created, the mechanized, motorized, industrialized army that overran Poland, Norway, Holland, Belgium, France, the Balkans, and Western Russia in days and weeks. Since Germany was not allowed to have more than 100,000 men under arms, every single man mattered. He received the training and equipment previously devoted to a large unit. He was educated to act as an individual or in very small groups with tanks, machine guns, parachutes and radios.

The "legal" army of 100,000 men was in fact very soon an army of 100,000 officers. They supplied the education and equipment for hundreds of thousands of young Germans who served as an illegal army.

Not Adolf Hitler made the Germany Army; it was the German Army that made Adolf Hitler.

The Economic Miracle

The "economic miracle" is even less miraculous than the military achievement of the Nazis. In fact, compared with what the German Republic accomplished in the 1920's, the economic performance of the Nazis in the 1930's is hardly impressive.

Hitler abolished unemployment. So did Stalin. So did Mussolini. So did Winston Churchill and Franklin D. Roosevelt. So does every country that bends all its efforts to war economy irrespective of costs. There was no unemployment in Germany from 1914 to 1918.

Financial Wizardry

One special aspect of the German "miracle" demands separate exploration: the financial technique by which National Socialism mastered the tremendous task of rearming without conjuring up once more the disaster of inflation Germany experienced after the last war.

When the Hitler regime came to power a vast programme of public works was launched—roads, railway equipment, housing, land reclamation, and so forth. It was initially financed by more or less direct resort to Central Bank credit, not by either loans or taxes. Thus in two years unemployment fell from six million to 2.6 million. Inflationist effects were prevented from the very beginning by a well co-ordinated system of restrictions rigidly enforced by police terror.

Rigid Restrictions

These restrictions were:

First, the complete separation of the German world from the world outside. The foreign exchange value of the mark was what the Government said it was. There was no such thing as a world market for German currency.

Second, the Government enlarged its own resources of foreign exchange, both by open default on all foreign obligations and by outright confiscation of all foreign assets of German Jews and other politically persecuted groups.

Third, German exports were forced onto world markets by lavish subsidies.

Fourth, while exports into countries with free currencies were encouraged, imports were largely drawn from poorer southeastern countries utterly dependent on the German market, which therefore involuntarily became the new creditors of Germany, for they never received the promised compensation in manufactured goods.

Fifth, while thus Germany's economic relations with the outside world were kept under control, inflationist effects at home were nipped in the bud. The Government simply decreed that wages should not be raised above the level of 1933. Therefore the income of the working class could only rise parallel with the output. The income of a worker's family could expand and did expand though only with the growing number of hours worked or with the growing number of family members working at the same rates.

Even these measures, however, would not suffice unless there was also direct control of the entire economic process. It was also necessary on a rapidly expanding scale to fix prices and even to direct production.

But the "real thing" came in 1935 with the military conscription, when the Government openly started the greatest armament drive of all time. Even so, full employment was not reached until the spring of 1938.

By that time, German economy was completely socialized in everything except the emptied title to property. By that time the financial problem of Germany had ceased to exist. No one, even before this war, knew how much the Government spent, how large the deficit or the debt actually was.

When both production and distribution are directed and controlled by the Government, money is no more than a vehicle for the movement of goods. It has lost its dynamic function. If money cannot buy anything because the goods desired are not offered for sale, then the money readily flows back to its source; whether it is pumped back by taxes or by forced loans does not matter. In a free country the citizen in possession of money is free to compete with his Government for the available goods. In the shadow of gallows and concentration camps such an idea would cross the mind of a German only in a nightmare.

The diplomatic successes of the Hitler regime from 1933 to the outbreak of this war are miraculous indeed. But the miracle was not German diplomatic cunning. The miracle was the blindness and weakness and ignorance of the other players in the diplomatic game.

Not only were the aims of Hitler's foreign policy unquestionably backed and approved by virtually the entire German nation, but this policy itself was merely the more ruthless continuation of a trend from which German foreign policy had never deviated since the Armistice of 1918.

German foreign policy had three principal aims: first, to get rid of the military Allied Control Commission, in whose presence secret rearmament was very difficult; second, to bring about the liberation of the Rhineland from foreign military occupation as quickly as possible and before the term provided for by the peace treaty; third, to obtain a settlement, and eventually the annulment, of reparations payments. In these three vital respects Germany was completely successful before Hitler had established himself in the Wilhelmstrasse.

The subsequent schedule of German foreign policy was obvious. The return of the Saar region to the Reich by plebiscite in 1935 was provided for by Versailles. No one in pre-Hitler Germany ever dreamed of renouncing the Saar, no one questioned that the Saar population itself would vote unanimously for return to the Reich.

Question of Conscription

The next step was the proclamation of conscription for the army in March, 1935. It was enthusiastically acclaimed by the German nation. To force a restricted professional army on Germany was the greatest, gravest blunder of Versailles.

The German Reichswehr was from the very beginning an enigmatic power within the German Republic that never became reconciled and assimilated to the democratic regime. To the military, the Republic was tainted with the defeat from which it had emerged.

Adolf Hitler no superman but a supermyth, asserts this international economist — The German army and German industry, plus Versailles, are alone responsible for the mythical Nazi "success story."

The next year, 1936, saw the reoccupation of the demilitarized Rhineland. Again this was a matter of course to the German people. Locarno or no, that this large and wealthiest part of Germany should lie undefended, open to foreign attack, was regarded as insufferable.

Austrian Anschluss

In 1938 Hitler marched into Austria. The circumstances under which the Anschluss with Austria was enforced must not conceal the fact that the popular claim for the reunion of Austria with the Reich went back to the very days of the Armistice. Several private polls taken in subsequent years resulted in overwhelming majorities in favor of the Anschluss. Never were the practical preparations for that future "day" completely interrupted. Dr. Dollfuss and von Schuschnigg were active members of organizations sponsoring such an outcome.

With the fall of Austria the doom of Czecho-Slovakia became inescapable. The problem of the Sudeten Germans was not something invented by Hitler. It had been with Central Europe ever since Versailles. The three million Sudeten Germans settled near the German borders of Czecho-Slovakia were the most violent German nationalists in the Austrian Reichsrat of the late monarchy. and their opposition to a Czecho-Slovak Republic which treated them as a "minority" never abated.

End of Triumph

But at this point Hitler's wisdom and diplomatic cunning had reached its limit. It was the hereditary wisdom of what the German nation conceived as natural, reasonable claims. It coincided—not by sheer coincidence—with the trend of world conscience. Hitler, like the German diplomacy before him, was successful as long as he followed the lines on which world conscience had developed.

However, the moment he reached out beyond that, his diplomacy committed one blunder after another. It began with the occupation of Prague. From Munich onward German diplomacy was almost grotesquely idiotic. We have every reason to believe that Hitler was greatly surprised by the quick collapse of France. He overrated France. He underrated Britain. He utterly misjudged the United States. He incredibly bungled the Balkan situation, and he completely mishandled the Russian problem. The day is near when, to the lasting disgrace of worshipers of success in the Western world, this part of the German miracle will be unmasked.

"This Age of Fable," by Gustav Stolper is published in Canada by McClelland and Stewart.

Your Income Tax

Payments of income taxes collected at the source begin in September. In this weekly column, The Financial Post answers problems you may have in connection with your income tax. In some cases, rulings have yet to be made, hence The Post can only cite informed opinion.

Repairs to House

Am I allowed any exemption for income tax for money I pay out each year on repairs to a house?

If you rent the house to another party, you are allowed to deduct the amount of reasonable repairs from the rent received when computing your income for tax purposes. You are not allowed to deduct anything for repairs to the house you live in yourself.

• • •

Fire Insurance Premiums

I notice all premiums of life insurance can be deducted from the amount of income for tax purposes. Does this apply to fire insurance as well?

You are under some misapprehension of the situation as regards life insurance premiums. They are not deductible from income when computing income taxes, but are deductible from the refundable part of your income tax. Thus if your total tax is $500 and refundable portion $200, you can deduct life insurance premiums up to the full $200 from the refundable part, leaving nothing but the straight tax to be paid. Under the terms of the budget this concession applies only to life insurance policies in force on June 23. There is no concession as regards fire insurance.

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Paying Doctor's Tax

I notice under the new budget income taxes are now to be deducted at the source. I am a doctor and my income is made up mainly of fees. How can the tax be deducted at the source in my case?

The Minister of Finance stated in the House of Commons that details of the method by which income taxes will be deducted at the source will be announced later. In the meantime he indicated the collection of income taxes at the source would probably be easiest in the case of persons who are employed by another person or a corporation. Persons having incomes in such forms as are not readily subject to tax deduction at the source, he stated, will have to pay their taxes and their minimum savings requirements on a compulsory installment plan, extending over the same period as the deductions from other incomes. For this purpose he said it would be necessary to provide for only four installments rather than 12 to reduce the administrative work required in such frequent payments. It seems probable your taxes will be payable under the four-installment plan.

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Exemptions

I notice the exemption for both single and married people for income tax purposes has been reduced to $660, from $750 and $1,500 previously. Does this exemption apply to both the flat rate of income tax as well as the graduated rate?

No. The exemption of $660 applies only to the graduated tax. There is no exemption for the flat rate tax, except that single persons with an income of less than $660, and married persons with an income of less than $1,200 do not pay it. If their incomes are larger than this and they are subject to tax, the act provides the tax must not bring their income below the minimum of $660 or $1,200 in either case.

Building Shows Gain in June

But First Half Totals 37% Less Than Same Period of 1941

While construction contracts awarded in Canada during June expanded sharply over totals for previous months this year the total of $46.7 millions was well down when compared with $85.7 millions for June, 1941, according to MacLean Building Reports. Contracts awarded during the first half of the year at $134.9 millions were 37% below the $215.4 millions reported for the same period of 1941.

How the contracts were distributed is shown in the following table:

June Construction Contracts

	1942 $	1941 $
Residential	10,829,600	10,815,700
Business	11,034,900	8,578,800
Industrial	17,930,600	7,013,300
Engineering	6,961,100	59,339,700
Total	46,756,200	85,747,500

Contemplated new construction, reported for the first time during June amounted to $46,616,400.

Among the larger contracts included in the June figures are:

Beauharnois, Que., plant	$3,000,000
La Tuque, Que., plant	3,000,000
Alaska Highway, highway	2,000,000
Hamilton, Ont., gas plant	2,000,000
Southwestern Ontario, plant	2,000,000
Bouchard, Que., plant	2,000,000
Shilo, Man., buildings	1,500,000
Saltfleet Twp., Ont., housing	1,175,000
Rapide Blanc, Que., power unit	1,000,000
La Tuque, Que., power unit	1,000,000
L'Acadie, Que., depot	1,000,000
Welland, Ont., housing	750,000
St. Catharines, Ont., housing	750,000
Stoney Point, Ont., buildings	700,000
Montreal, Que., buildings	615,000
Quebec, Que., housing	600,000
Brampton, Ont., buildings	600,000
Etobicoke Twp., Ont., foundry	500,000
St. Johns, Que., plant extension	500,000
Moose Jaw, Sask., add'n to plant	464,000
Prov. of Saskatchewan, runways	450,000
Simcoe, Ont., buildings	355,000
Rivers, Man., buildings	350,000
Montreal East, Que., plant	350,000
Lauzon, Que., housing	350,000
Saint John, N.B., housing	300,000
Longueuil, Que., building	300,000
Fort William, Ont., factory	300,000
Aylmer, Ont., buildings	300,000

Gatineau Power Share Income Up

Returns for First Quarter of 1942 Show Healthy Gain Over 1941

From Our Own Correspondent

MONTREAL. — Gatineau Power Co. reports relatively sharp improvement in its earning power during the first quarter of 1942. There was a gain in operating revenue, and a substantial advance of net profit with earnings on the common stock amounting to 23 cents a share for the three months, as against 14 cents a share for the like period a year ago.

Three Months Ended March 31

	1942 $	1941 $
Oper. revenues	2,572,424	2,328,069
Other income	44,392	43,799
Total income	2,616,816	2,371,868
Less: Gen. expenses	257,478	234,219
Maintenance	42,103	43,715
Inc. tax, etc.	514,850	402,270
Net revenue	1,802,885	1,691,664
Less: Bond interest	588,018	588,119
Debent. int.	179,609	209,280
Exchange loss	108,850	109,381
Depreciation	300,000	300,000
Amortization	41,209	42,652
Net Profit*	584,698	442,231

*Subject to audit and adjustment.

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C.I.L. EXECUTIVE APPOINTMENTS

Effective August 1, L. W. Haslett will relinquish his position as general manager of the chemical group to become general manager of the explosives and ammunition group of Canadian Industries Ltd. Dr. H. G. Littler (right), assistant general manager of Defence Industries Ltd. will become general manager of the chemical group of C. I. L.

Ontario Hydro Warns Power Shortage Near

Preparation for a coming power shortage is strongly advised in the monthly summary report of the Hydro-Electric Power Commission of Ontario. The report states that the time is not far off when it will be necessary to conserve energy just as rubber and gasoline are being conserved to take care of serious shortages.

Basic reason for the looming power shortage is the mounting demand of war industry. Backed by Hydro's two million horsepower, more than half of Canada's ever-growing war production comes from Ontario.

During May the total primary load in all four Hydro systems and the Northern Ontario properties, based on the maximum 20-minute peak horsepower load, advanced 22% over May, 1941, while primary and secondary loads combined increased almost 12%. The Niagara system showed the greatest increase during May with a load of 1.6 million h.p., up 28% from last May's 1.2 million h.p.

Maximum 20-Minute Peak H.P.

	May 1942	May 1941	Incr. %
Primary Loads:			
Niagara	1,607,909	1,255,496	28.1
Eastern Ont.	180,696	160,938	12.3
Georgian Bay	45,224	41,305	9.5
Thunder Bay	107,654	101,072	6.5
Northern Ont.	204,391	200,608	1.9
Total	2,145,874	1,759,419	22.0
Primary and Secondary Loads:			
Niagara	1,685,121	1,485,925	13.4
Eastern Ont.	180,696	161,166	12.1
Georgian Bay	45,224	41,305	9.5
Thunder Bay	131,448	106,582	23.3
Northern Ont.	258,010	260,126	*0.8
Total	2,300,499	2,055,104	11.9

*Decrease.

Financial Incentives Slight in New Budget

In presenting Canada's most stringent budget, Mr. Ilsley admitted the need for leaving some financial incentive to the taxpayer. But he stressed the fact that this incentive could not be allowed to overshadow the more pressing needs of financing the war, avoiding inflation. Cutting down purchasing power is a basic function of taxes in serving this end and pay increases defeat the purpose of this sacrificial tax scale.

In the accompanying table, The Financial Post shows how little is gained for the taxpayer by wage or salary increases in a number of taxpaying categories.

Single Person Earning per annum	Receiving pay increase of	Has this much left after Taxes and Forced Saving	On the dollar, his raise is worth
SINGLE PERSON			
$ 700	$ 150	$ 74	49c
850	150	94	63c
1,000	250	155	62c
1,250	250	150	60c
1,500	250	146	58c
1,750	250	120	48c
2,000	500	275	55c
2,500	500	262	52c
3,000	1,000	470	47c
4,000	1,000	466	47c
5,000	2,500	1,058	41c
7,500	2,500	958	38c
10,000	10,000	3,283	33c
20,000	10,000	2,633	26c
30,000	20,000	3,493	17.5c
50,000	50,000	4,566	9c
100,000	400,000	8,033	2c
MARRIED PERSON, WITHOUT CHILDREN			
$ 1,300	$ 200	$ 83	42c
1,500	250	146	58c
1,750	250	140	56c
2,000	250	140	56c
2,250	250	140	56c
2,500	500	267	53c
3,000	1,000	520	52c
4,000	1,000	486	49c
5,000	2,500	1,108	44c
7,500	2,500	1,008	40c
10,000	10,000	3,483	35c
20,000	10,000	2,833	28c
30,000	20,000	3,893	19c
50,000	50,000	5,566	11c
100,000	400,000	16,033	4c
MARRIED PERSON WITH TWO CHILDREN			
$ 1,250	$ 50	$ 47	84c
1,300	100	93	93c
1,400	100	93	93c
1,500	250	194	78c
1,750	250	140	56c
2,000	250	140	56c
2,250	250	140	56c
2,500	500	267	53c
3,000	1,000	520	52c
4,000	1,000	486	49c
5,000	2,500	1,108	44c
7,500	2,500	1,008	40c
10,000	10,000	3,483	35c
20,000	10,000	2,833	28c
30,000	20,000	3,893	19c
50,000	50,000	5,556	11c
100,000	400,000	16,033	4c

B. C. Growers Fill Quota For U. K. Strawberries

From Our Own Correspondent

VANCOUVER—In spite of an assortment of adverse conditions—rain at the wrong time, Japanese evacuation from the most productive areas, labor difficulties—British Columbia growers' organizations have completed plans for shipping the minimum requirements of strawberries to the United Kingdom.

More than 530 tons of fruit have already been prepared for shipment overseas; the minimum asked for was 500 tons, and growers' agencies concentrated on that order at the sacrifice of the domestic market.

It is expected that more than 700 tons will be shipped before the close of the season.

Sterling credit is being established by the British Ministry of Food through the special products board at Ottawa, and the growers will receive prompt payment against board bills of lading by cheques drawn on a trust account established with the provincial minister of finance.

This is the same machinery that was in effect last year when the province shipped large quantities of preserved fruit and fruit pulps in the United Kingdom.

The strawberry growers in the Fraser Valley this year have been handicapped by the necessity of paying Japanese who previously operated the land. Payments were made in a lump sum before the Japanese were evacuated, and these naturally drained the new tenant farmers of ready cash to meet operating costs during the growing and harvesting season.

A better policy, it is claimed, would have been to pay the Japanese after the crops were marketed and paid for, and this may be followed next season unless the whole situation drastically changes.

Montreal Stock Exchange and Montreal Curb Market report trading conditions unchanged during June, as compared with May, but considerably higher than for June, last year. Total transactions in all groups last month aggregated 272,344 shares, as against 272,594 shares in May and 192,334 shares in June, 1941.

Your Investments

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3. Reply by telephone or telegraph.
4. Select list of securities; express opinions; or make forecasts.

Three-cent stamp and address label from subscriber's copy of The Financial Post must be enclosed. Address letters to The Financial Post, 481 University Ave., Toronto 2.

Beaver Lumber

Would be glad to have as full a report as possible on Beaver Lumber Co., Winnipeg, especially with reference to chances of a common dividend.

We have been advised by the Beaver Lumber Co. that "under present conditions, we are not considering payment of common dividend."

The year ended April 30, 1942, Beaver Lumber Co. had net profit of $353,441 before providing for income and excess profits taxes of $89,078. It paid four quarterly preferred dividends at a 7% rate, requiring $105,000. Its cumulative earned surplus at the end of April last was $1.4 millions.

Preferred dividends were paid at the rate of 4% annually from Oct. 1, 1932 to Sept. 30, 1936, and thereafter at the regular 7% rate. The financial position shows accounts receivable of just over $1 million and inventories of $1.7 million. A bank loan of $508,073 was shown at April 30, last.

Milton Brick

Some recent information on Milton Brick Co. of Toronto would be appreciated.

Milton Brick advises that business so far this year is about equal to that of last year.

In 1941 it reported net profit of some $10,000 or 5c per share. The company states that it is receiving its full share of business from small home building along with contracts for government work.

Anglo-Canadian Drugs

Can you give me the present position of shares and bonds in Anglo-Canadian Drugs issued around 1935?

Assets of Anglo-Canadian Drugs Ltd. were sold late in 1940 by the receiver, Premier Trust Co. We are informed that proceeds of the sale were not sufficient to repay funds advanced by the receiver and that no balance was left for distribution to bondholders or shareholders.

Mortgage Discount

Is Mortgage Discount & Finance Ltd. still in business? If so have its shares any market value?

Mortgage Discount & Finance Ltd., Toronto, is now doing business under the name of Mortgage Discount Ltd., the change in name not affecting the number of shares outstanding.

During the year ended Nov. 29, 1941 the company had a loss of $4,067. Preferred dividends at the rate of 6% per annum are in arrears for ten years. Total investments, largely second mortgages, amount to $341,961. Included in this amount is $61,349 which is under control of first mortgagees who are in possession, in receipt of revenue, but have not yet taken any legal action detrimental to the company's interests.

So far as we are able to determine there is no present market value for either the preferred or common shares of the company.

Roby's Products

I have not heard anything for some time on Roby's Products of Montreal. Can you tell me what has become of this company?

Roby's Products, Ltd., went into bankruptcy in July, 1932. At that time those in touch with the situation said that it might be possible to meet the demands of creditors, but there was virtually no possibility of shareholders receiving anything from the estate.

To the best of our knowledge, all the assets of the company have been sold and nothing was available for the shareholders after meeting prior obligations.

Brazil Bonds

Some time ago a plan dealing with Brazilian 6½% bonds was proposed. What is the status of this situation now?

There has been no change in the position of U. S. of Brazil 6½% bonds, due 1957 since the decree of March, 1940. By this the government offers payment of 25% of the interest due for a four-year period terminating in 1944.

Now indications are that the general position of Brazil has held up well during the war, but just when this will prove of benefit to holders of the country's bonds we are not able to forecast.

Joseph E. Seagram & Sons, wholly owned subsidiary of Distillers Corp.-Seagrams Ltd., has purchased two more American distilleries and their inventories amounting to approximately 50,000 barrels of whisky. Each purchase was for approximately $1 million.

The properties acquired are the Blair Distillery at St. Francis, Ky., and the Bedford Distillery at Bedford, O. Both plants will be converted to the manufacture of industrial alcohol for war production.

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Oswald Brand has resigned as treasurer of Quebec Pulp & Paper Corp., having been appointed financial controller of the Pictou Foundry and Machine Co. Ltd., shipbuilding division, Pictou, N.S.

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C. P. Air Lines Acquires Boeing Service Unit

From Our Own Correspondent

MONTREAL. — Canadian Pacific Air Lines Ltd. has taken over the overhaul and repair equipment in operation at the Boeing aircraft plant in Vancouver. The transfer followed a request for such action from directors of the Boeing Aircraft Co. to the Dept. of Munitions and Supply.

Aircraft manufacturers are being relieved of overhaul services so that they may devote their maximum energies to production. In order to provide increased manufacturing space at the Boeing plant, the overhaul equipment presently installed there will shortly be transferred to a new location in British Columbia which will be used exclusively for overhaul and repairs.

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VICTORY BONDS and WAR LOAN BONDS—Take them to your bank . . . to any branch of any chartered bank . . . the bank will put them into safekeeping for you, will clip your coupons when the interest falls due, and will deposit the money to your name . . . If you haven't a bank account you can authorize the bank to open one for your convenience.

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For a $ 5.00 certificate $0.10
For a $ 10.00 certificate .... .15
For a $ 25.00 certificate .... .20
For a $ 50.00 certificate .... .25
For a $100.00 certificate .... .50
For a $500.00 certificate 1.00

●

THE CHARTERED BANKS OF CANADA

Hope Dims for Higher Newsprint Price

Publishers Told No Change "Until Further Notice"

By JOHN E. LANGDON

MONTREAL.—Canadian newsprint manufacturers' prospects of securing a better price for their product in the American market are slowly but steadily receding.

It is still too early to say newsprint prices are frozen for the duration, but the chances of securing an upward revision appear rather slim.

This week International Paper Co. informed its customers that the same price of $50 a ton, based on delivery in New York City, will continue until further notice.

Canadian manufacturers are expected to follow the same policy; in fact, they have no alternative.

New Policy Rules

In telling its customers there would be no change, I.P. put the price situation this way:

"The plans adopted by the government for the control of prices generally create an entirely new influence on the marketing of most commodities including newsprint. In view of this governmental policy, and since we have no means of knowing in advance what ultimate conclusions will be reached, or what changes may be made from time to time, we now wish to advise you that we will continue our present stanward price at your destination until further notice."

OPA Stumbling Block

The Office of Price Administration in the United States issued an order earlier this year setting a ceiling on the price which the publisher might pay for newsprint.

In this way the OPA not only froze the domestic price but also the price which Canadian or Newfoundland manufacturers could charge for their product in that market.

A few months previously, Canadian manufacturers, together with International Paper Co., announced an advance of $3 a ton, effective at the beginning of the second quarter.

Inquire as to Costs

Before the price was to go into effect, the OPA and the Canadian Wartime Prices and Trade Board set up a joint body to investigate the reasonableness of the proposed price increase.

Understanding in the trade is that this inquiry, conducted jointly and severally by the WPTB and the OPA, recognized the new schedule as reasonable.

But before official action was taken, the OPA changed the personnel of its newsprint committee. The new members took the stand that a price increase was justified only on the basis of performance and not on expectations of higher costs. Though it was pointed out the manufacturers knew beforehand exactly what their costs would be, the OPA committee refused to alter its stand.

When the OPA announced freezing of prices for newsprint in the United States, it added a rider to the effect that application of the Canadian manufacturers for an advance was not altogether closed but that further study would be made.

This study is still in progress. It is referred to by International Paper in its current announcement: "We have no means of knowing in advance what ultimate conclusions will be reached."

Costs Are Up

Costs of Canadian manufacturers have risen substantially over the past year. The burden of higher charges has been intensified by the steady drop in rate of operations.

When the industry was operating close to its effective capacity as was the case during the last half of 1941, the rise in costs was a matter of concern but not of serious consequence.

Since the beginning of the year the situation has become of great importance to the manufacturers. All materials going into the manufacture of paper, wood, etc., as well as labor and overhead charges, have moved up sharply and the margin of profit per ton of paper produced has dropped.

Looking for Relief

Implementation of the schedule announced at the beginning of the year depends almost solely on the OPA. As far as the WPTB in Canada is concerned it would not be likely to put any obstacles in the way of a price increase as the resultant gain in U. S. exchange would be most helpful to Canada.

Take Another Angle

Canadian manufacturers are attacking the problem of a price adjustment from another angle.

Under arrangements now in effect, the delivered price at New York and Atlantic coast ports, at Chicago and Great Lakes ports, where water-borne delivery is possible, is used as a base.

The minimum price of Canadian newsprint delivered at these points is $50 a ton.

While the whole United States is divided off into a number of zones, it is possible for the delivered price at Philadelphia or Chicago to be $50 a ton, while a publisher 50 or 75 miles away and in the same zone may have to pay $3 or $4 a ton more for extra freight.

Transport Costs Jump

Within recent months it has become increasingly difficult for Canadian manufacturers to maintain their water-borne shipments. Only a very small percentage of shipments to the United States now goes by water. The result has been a sharp increase in the delivered costs to these base ports which, by and large, represent the larger metropolitan cities in the States and where consumption of paper is heaviest.

The manufacturers have applied to the OPA for relief from this situation. They have asked for a revision of the delivered price to those ports where paper now has to be shipped by rail.

The OPA has had several meetings with U.S. publishers to secure their reaction to this proposal.

Publishers who have to compete with the large metropolitan papers will, it is expected, support the application of the manufacturers. On the other hand the metropolitan papers are not without political and other influence and will probably endeavor to keep the situation unchanged.

To date the OPA has not made any decision on the application. It is expected an announcement will be made shortly.

Wait OPA Decision

For the time being Canadian manufacturers are relying for relief from advancing costs on a favorable response to the application for zone price adjustments.

The broader application for an over-all price increase probably will continue for some time to be "very much in the air."

Until a decision is reached one way or the other by the OPA on either of these applications, there is nothing that can be done by Canadian manufacturers except to continue "our present standard price at your destination until further notice."

Canada Now Dominates U. S. Pulp Import Trade

From Our Own Correspondent

MONTREAL.—Canada and Newfoundland accounted for practically all the pulp imported into the United States during 1941.

Some 13,210 tons out of a total of 1,145,000 tons of pulp were brought into the U. S. last year from Finland; otherwise the United States depended wholly upon Canada and Newfoundland to supplement domestic sources of pulp.

In pre-depression days the United States bought from Canada and Newfoundland about 750,000 tons of all types of pulp annually.

During the depression period purchases dropped sharply and reached a low point of 425,326 tons in 1932.

Hold Strong Position

Last year total pulp imports into the United States aggregated 1,145,000 tons, of which Canada and Newfoundland supplied 1,131,790. In 1939 total U. S. imports were 2,026,441 tons, with Canada and Newfoundland supplying 637,953 tons.

Particulars of U. S. pulp imports in 1941, with comparative figures for 1939, as compiled by the U. S. Pulp Producers Association, follow:

	1941			1939		
	Total	Canada & Nfld.	Other Cts.	Total	Canada & Nfld.	Other Cts.
Sulphite, blch.	389,000	388,164	836	474,109	252,414	221,695
" unblch.	351,000	345,252	5,748	661,193	110,144	551,049
Sulphate, blch.	60,000	59,339	661	108,252	46,139	62,113
" unblch.	116,000	110,035	5,965	546,167	58,116	488,051
Groundwood	204,000	204,000	....	227,768	162,183	65,580
Total	1,145,000	1,131,790	13,210	2,026,441	637,953	1,388,488

WPB Lifts Ban Paper Inventory

From Our Own Correspondent

MONTREAL. — Restrictions on inventories of paper, paperboard, paper products and waste paper have been removed by the United States War Production Board to permit accumulation of supplies in anticipation of a transportation shortage next fall and winter.

Because of inventory restrictions, there has been in recent weeks a sharp drop in forward buying, with the result that paper mill operations have shown a relatively sharp decline. With the removal of restrictions, it is anticipated operating ratios will be stepped up.

Canada Ships 25% Of Pulp to U. S.

From Our Own Correspondent

MONTREAL.—One out of every four tons of pulp produced in Canada last year was exported, mainly to the United States. According to returns compiled by the U. S. Pulp Producers Association, Canada shipped 1.4 million tons in 1941. This was 343,000 tons more than in the preceding month and almost exactly double the tonnage exported in 1939.

Most of the gain was recorded in chemical pulps, particularly unbleached sulphite which has registered an increase of 300% in exports since 1939.

U.S. Paperboard Output Slows Down in April

From Our Own Correspondent

MONTREAL.—Paperboard production in the United States at 550,653 tons in April showed a decrease of 4.7% from March, but an increase of 10.1% over the output for April, 1941.

April, 1942, production was 94% of rated capacity for the 110 concerns reporting, and was the lowest for any month in the current year.

New orders received during the month decreased; also, unfilled orders at the end of the month displayed a decrease of 51,530 tons from those reported for March, 1942.

U. S. Paper Mills Reverse Operating Trend

From Our Own Correspondent

MONTREAL.—Reflecting government restrictions on inventories, operations of American paper mills in May dropped to 95.5% of capacity, the lowest reported for any month since July last year, according to an estimate based on tonnage reported to American Paper and Pulp Association.

Since compilation of these returns, operations have further declined, the ratio to capacity for the week ended June 20 being 86.9%. This is substantially under the corresponding week of 1941 when operations were 99.9% of capacity.

B. C. Union Men Try 7-day Plan

From Our Own Correspondent

VANCOUVER.—The federal government has won the third round in the shipyard labor controversy on the west coast and British Columbia yards are again humming on the seven-day continuous production basis.

The first round went to Hon. Humphrey Mitchell, federal minister of labor, when he put through an order-in-council making the seven-day programme compulsory several weeks ago. The second round was union labor's when the blacksmith and machinist unions, convinced that the seven-day plan wouldn't work, dropped tools and upset the whole production schedule.

The unions sent a delegation to see Mr. Mitchell and other Ottawa officials and explained their advocacy of a six-day alternative programme which, they claimed, would build more ships.

The delegation was told that the Canadian Government was not impressed with its suggestions for a six-day plan; that the seven-day schedule had not been given a thorough trial. Mr. Mitchell asked the men to go back to work and give the seven-day programme 30 days' trial and the delegates agreed.

When they returned the unions fell in line and decided, in view of Ottawa's attitude, to carry on.

Rail Earnings At New Peak

Gross Income to June, 1942, Up 20.3% Over Like 1941 Period

From Our Own Correspondent

MONTREAL.—Gross earnings of the Canadian National and Canadian Pacific Railways for the first half of 1942 exceeded those for the like period a year ago by 20.3%.

Gross income of the two lines for the past six months totalled $290.5 millions, the highest for the period on record. This return compared with $241.6 millions a year ago and $189 millions two years ago.

Big Gain Over 1939

Compared with prewar 1939, this year's first half combined gross earnings showed an expansion of 94.3%. The previous peak for the first six months, made in 1929, was exceeded this year by over 14%.

Both companies showed substantial increases for the half year, that of the Canadian Pacific being slightly the greater on a percentage basis. C. P. R. recorded a gain of 21.2% and the Canadian National was up 19.5%.

OPA Frees Price On 'Super' Paper

Restores $3.50 Differential on Newsprint Used for Rotogravure

From Our Own Correspondent

MONTREAL.—Office of Price Administration in the United States has restored price differentials formerly prevailing between superstandard newsprint paper, for rotogravure printing and standard newsprint.

Under the new regulation, not more than $3.50 a ton additional can be charged for the supergrade and then only when the paper is to be used for rotogravure printing.

The amendment, effective July 8, fixes a price which OPA said reflected the price paid for this quality paper between Oct. 1-15, 1941.

The newsprint price ceiling originally froze prices of superstandard at standard levels, pending OPA studies of uses and production costs, although it had always sold at a higher figure. Superstandard is being used in increasing quantities to replace other more expensive newsprint papers for pictorial, magazine and book sections and Sunday supplements.

Nfld. Worries Over Newsprint

Labor Shortage Brings Crisis to Important Island Industry

Shortage of labor is constituting a grave threat to the Newfoundland newsprint industry, represented by Bowater's Newfoundland Pulp & Paper Mills and Anglo-Newfoundland Development Co. Both companies are making appeals for 3,000 men to work in the woods. The appeal has been taken up and broadcast by the Commission of Government.

Newsprint is Newfoundland's second most important industry, ranking next to fishery, and the labor situation is so critical that the possibility of newsprint operations being closed down is seen.

Work at Bases

Prime reason for the labor shortage is said to be the continuing high level of construction activity at the Canadian and American military and naval bases. It is claimed that Newfoundland workers can get jobs at these bases which are easier than logging but which pay just as well or better than working in the woods.

Another factor tending to work against the island's newsprint companies is that by far the greater part of their production has to be exported to American and British markets. Transportation costs to these markets have increased materially and it is alleged that the newsprint companies cannot meet these higher transportation costs along with heavier production costs at home and continue to operate profitably.

Consolidated Diversified Standard Securities Ltd. reports net asset value of its preferred stock on April 30, last, was $15.69 a share, as against $17.69 a year ago. On May 30, net asset value on preferred stock had declined to $15.33 a share, compared with $17.90 a year ago.

OPPORTUNITY

There are available in Corner Brook a limited number of building sites, suitable for factories, with Railway Sidings, electric light and water and sewerage connections. Electric Power is also available at reasonable rates.

The Port of Corner Brook is equipped to handle all types of cargoes with quick despatch. For particulars apply to —

GENERAL MANAGER

Bowater's Newfoundland Pulp and Paper Mills Limited, Corner Brook.

Abitibi Power & Paper Company, Limited
TORONTO, ONT.
Owning directly or through subsidiary companies, mills at
Beaupre, Que. Iroquois Falls, Ont.
Pine Falls, Man. Smooth Rock Falls, Ont.
Sault Ste. Marie, Ont. Fort William, Ont.
Port Arthur, Ont.
Newsprint
Groundwood Pulp News Sulphite Pulp
High Grade Bleached Sulphite Pulp

Business Loaned These Executives To Aid Canada's War Administration

Reporting further on the businessmen now on loan to the Dominion Government, The Financial Post presents herewith the third group of officials in the roster recently presented to parliament. Previously published were the names, occupations and remuneration of the businessmen now serving in the Department of Munitions and Supply and in the Wartime Prices and Trade Board.

Added to the material originally presented to the House are the peacetime positions held by the various officials.

DEPARTMENT OF NATIONAL DEFENSE

J. V. Young, Hamilton, Vice-pres. & treas., Hamilton Cotton Co.—Master Gen. of the Ordnance. Chrmn. Army Tech. Development Board. Actual expenses.

St. Clair Balfour, Hamilton. Balfours Ltd., Hamilton.—Special Asst. to the Master General of the Ordnance. Living Allowance $15 p.d.

H. S. Parks, Toronto. Retired—Expert Asst. to the Master General of the Ordnance. Living allowance $10 per day.

B. A. Cockburn, Toronto. Chartered Accountant, Robert Simpson Co.—Accountant, Accounting Section of the Master General of the Ordnance Branch. Living allowance $10 p.d.

C. S. Pipe, Toronto; Chartered Accountant, Robert Simpson Co.—Accountant, Ordnance Stores, Master General of the Ordnance Branch. Living allowance $10 p.d.

DEPARTMENT OF NATIONAL DEFENSE FOR AIR

S. L. de Carteret, Vice-pres., gen. man. Canadian International Paper Co. — Deputy Minister, Dept. of National Defense for Air. No remuneration. Pays all own expenses.

H. G. Norman, Price Waterhouse & Co. — Financial adviser, British Commonwealth Air Training Plan. Actual expenses.

W. B. Daley, Candn. International Paper Co. — Private Secretary to Deputy Minister, Dept. of National Defense for Air. No remuneration. Pays all own expenses.

DEPARTMENT OF NATIONAL DEFENSE—NAVAL SERVICE

L. C. Thomson; C. N. R.—Manager of Naval Stores, H. M. C. Dockyard, Esquimalt. Living expenses up to $15 daily.

DEPARTMENT OF NATIONAL WAR SERVICES

Mrs. Basil B. Campbell, Ottawa; Housewife—Promotional work on assignment for the Tourist Development Committee. Travel Expse.

G. H. Lash, Montreal, C.N.R.—Director of Public Information. $10 a day living allowance, Travel Expenses.

Claude Melancon, Montreal; C. N. R.—Associate Director of Public Information. $10 day living allowance, Travel Expenses.

TRADE AND COMMERCE

J. M. Evans, Outremont, P.Q.; Shawinigan Water & Power Co.—Chairman, Executive Sub-committee, Advisory Committee on Export Control, Travel expenses.

A. L. W. MacCallum, Montreal; Manager, Shipping Federation of Can.—Director of Shipping. Actual out of pocket expenses.

F. T. Cuttle, Montreal; Canada Steamship Lines, Technical Adviser—Great Lakes Shipping. Travel Expenses.

L. J. Pattington, Montreal; Manager, Constantine Line—Technical Adviser—Ocean Shipping. Travel Expenses.

A. L. Lawes, Montreal; Pres. Montreal Shipping Co. Ltd.—Representative in Vancouver. $20 per day living allowance, Travel expenses.

J. H. Hamilton, Vancouver; Secty., Vancouver Chamber of Shipping—Representative in Vancouver. Travel Expenses.

AUDITOR GENERAL'S OFFICE

A. F. Turner, Port Credit; Retired bank inspector—Supervises the work of the staff of Toronto Office. Travel Expenses.

DEPARTMENT OF FINANCE

G. W. Spinney, Montreal; Joint Gen. mgr., Bank of Montreal—Chairman, National War Finance Committee.

H. R. Milner, K.C., Edmonton; Senior member of the Legal Firm of Milner, Steer, Poirier, Maitland, and Powker—Assistant Chairman, National War Finance Committee. Travel Expenses.

H. L. Guy, Waterloo; Treasurer, Mutual Life Assurance Company of Canada—Assistant Chairman, National War Finance Committee. Travel Expenses.

DEPARTMENT OF LABOR

E. M. Little, Quebec; Gen. Mgr. Anglo-Canadian Pulp and Paper Co.—Director, Wartime Bureau of Technical Personnel. Travelling expenses and living expenses while in Ottawa.

L. A. Wright, Montreal; Gen. Secy. Engineer Institute of Canada—Assistant Director, Wartime Bureau of Technical Personnel. Travel expenses and living expenses while in Ottawa.

E. R. Complin, Montreal; Industrial Relations Manager, Canadian Industries Ltd.—Chief Executive Officer, National War Labor Board. Travelling expenses and living expenses while in Ottawa.

G. Hodge, Montreal; Manager, Personnel Dept., C. P. R.—Member of Executive Committee of National War Labor Board. Travelling expenses and living expenses while in Ottawa.

W. H. C. Seeley, Toronto; Director of Personnel, Toronto Trans. Com.—Director of Personnel Training, National War Labor Board. Travelling expenses and living expenses while in Ottawa.

A. J. Hills, Montreal; Chief of Personnel, C. N. R.—Special Executive Assistant to the Minister. $300 per month living allowance.

May Grocery Inventories Climb 5% Over Year Ago

Inventories carried by the wholesale grocery trade were valued 5% higher at the end of May than a year ago, but were 3% lower than the value of stocks reported Apr. 30, 1942. Stocks on hand at the beginning of May are normally 25% in excess of the volume of business transacted in that month. Stocks on hand at the beginning of this May were 33% over the month's business, indicating that the stock position at the start of May was above the normal position for this period of the year.

Sales of 73 of the larger grocery wholesale houses in Canada averaged 4% higher in May over a year ago and were 5% better than April sales. In the first five months sales were 12% higher than the same 1941 period. The Maritimes showed the best gain in May over a year ago at 20%. Quebec was up 4%, Prairie Provinces 2%, B.C. 3% and Ontario unchanged. Dollar sales were up nearly $700,000 at $18 millions.

Retail Sales Up

Sales of 1,000 chain store units operated by 26 chain companies in the food retailing field averaged 20% higher in May over the sales of 1,055 units operated in May, 1941. Total sales of $15.4 millions averaged $15,425 per store in comparison with a total of $12.8 millions or an average of $12,187 in last May. Quebec led this category with an increase in sales of 33% over a year ago, with the Prairie Provinces up 23%, Ontario and B. C. both up 16%.

Sales of 996 independent grocery or grocery and meat stores averaged 12% higher in May of this year over last. Sales in Quebec were up 16.3%, Ontario 11.1%, Manitoba, Alberta and B.C. all 9% and Saskatchewan 0.7%.

Montreal Port Revenue Reaches Record Level

MONTREAL.—Port of Montreal reports customs-excise collections in June at the second highest monthly level on record. Total revenue of $20.2 millions was 12.9% above the May returns and 27.4% above those for June last year.

For the first half of the year collections at the Port of Montreal totalled $105.9 million, as against $87.4 millions and $62.4 millions in the first half of 1941 and 1940, respectively.

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for every purpose.
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TORONTO - BRANTFORD
BRANCHES FROM COAST TO COAST

SAVE TO WIN

To meet the demands of war we must divert expenditure from unnecessary things and *save.* Open a Savings Account with us, and put your savings on a systematic basis. Save according to plan and have the money ready when the government calls for it. This Corporation has been doing business in Canada since 1855.

2% on Savings—Safety Deposit Boxes $3 and up —Mortgage Loans.

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Mortgage Corporation
Head Office, 320 Bay St., Toronto
Assets Exceed $66,000,000

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MONTREAL OFFICE: University Tower
U.S. REPRESENTATIVES: Ward-Griffith Inc

THE WEEK'S QUOTATIONS

Toronto and Montreal Exchanges

The following table is confined to official prices for listed stocks, including curb market quotations. Where no transaction is recorded, bid and asked prices are given. For unlisted stocks, quotations by unlisted dealers are published. The Financial Post cannot accept any responsibility for such quotations.

WEEK ENDING JULY 6

A

Range 1942 High	Low	Div R'te $	July 4 Y'ld %		Sales	Last June 27	Week end. July 6 H	L	Cl'se
.75	.40	*	...	Abitibi	....	(.55 bid .65 asked)			
7	4	*	...	Do. pref. 6%	200	4½	5½	4½	5½
25	13	*	...	Do. pref. 7%	10	13½	13½	13½	13½
3	3	.	...	Acme Glove	....	(3 bid 3½ asked)			
60	50	6.50	12.7	Do. pref.	....	(51 bid 54 asked)			
13	11½	80+20c	8.7	Agnew Surp.	....	(11 bid 12 asked)			
110	106½	7	6.6	Do. pref.	50	109	109	106½	106½
.90	.75	.	...	Alta. Pac. Gr.	....	(— bid .95 asked)			
27	21½	.	...	Do. pref.	553	23½	25	24	25
9½	8	.	...	Algoma Steel	215	8	8½	8	8½
84	82	5	5.9	Do. pref.	....	(83 bid 86 asked)			
100	90	3+2	11.1	Aluminium	128	91	91	90	90½
118	112	6	5.1	Do. pref.	....	(116½ bid — asked)			
7½	6	50c	...	Amal. Electric	....	(6 bid — asked)			
†37	37	60c	1.6	Amer. Cyn. B.	....	(33 bid — asked)			
42	40	2.75	6.7	Ang. Can. Tel p	30	42	42	41	41
19	17	80+40c	7	Asbestos	330	17	17½	17	17
18½	14	1.75	12.5	Assoc. Brew.	10	15	14	14	14
112	109½	7	6.3	Do. pref.	10	110	111½	111	111½
†1	1	.	...	Assoc. T. & T.A.	....	(— bid — asked)			
‡24	24	96c	...	Do. pref.	....	(— bid 23 asked)			
102½	102	5.50	5.4	Ault & Wiborg	....	(102 bid — asked)			

B

Range 1942 High	Low	Div R'te $	July 4 Y'ld %		Sales	Last June 27	Week end. July 6 H	L	Cl'se
150	142	8	5.4	Bk. Can. Nat.	77	148	148	148	148
189	175	8	4.5	Bk. Montreal	87	179	178	175	178
275	269	12	4.4	Bk. N. Scotia	49	270½	272	272	272
255	225	10	4.4	Bk. Toronto	5	227	225	225	225
8½	8½	35c	...	Barber Ellis	....	(6 bid — asked)			
*5	4½	.	...	Barcelona	....	(— bid — asked)			
1.25	.50	.	...	Barker's Bread	....	(.80 bid 1.20 asked)			
18	12	.	...	Do. pref.	65	16	15	14½	14½
14½	11½	1+25c	11	Bathurst Pr.	350	12½	12½	11½	12½
2.25	1.05	.	...	Do. (B)	....	1.45 bid 1.75 asked			
6	3½	80c	...	Beath & Sons.	....	(5 bid 7 asked)			
8	6½	.	...	Beatty Bros.	70	8	6½	6½	6½
110	102	6	5.4	Do. pref.	....	(110 bid — asked)			
95	76	7	7.4	Do. 2nd pref.	....	(95 bid 100 asked)			
9½	9½	.	...	Beauharnois	62	9½	9½	9½	9½
81	81	4+2	7.4	Belding Cort.	....	(80 bid 86 asked)			
124	115	7	6	Do. pref.	....	(115 bid — asked)			
150½	134	8	5.9	Bell Telephone	605	138	137	135½	136½
7	6½	30+5c	5	Bertram & Sons	....	(6½ bid — asked)			
7½	6½	60c	8.9	Biltmore Hats.	....	(6 bid 6½ asked)			
3	2½	.	...	Blue Ribbon	....	(2½ bid 3 asked)			
31½	25	2.50	9.6	Do. pref.	....	(26 bid 30 asked)			
10½	10½	60c	5.6	Blue Top Br. A.	....	(9 bid — asked)			
10½	8	.	...	Do. "B"	....	(9 bid 10 asked)			
3½	3½	.	...	Brand. Hender.	....	(3 bid — asked)			
†20½	20½	1.30	6.4	Brant. Cord., pf	....	(20½ bid — asked)			
10	6	40c	...	Brazilian Tr.	2331	8½	8½	8½	8½
5½	3½	50+10c	...	Brew. & Distil.	144	4½	4½	4	4½
†6½	6½	.	...	Bright, T. G.	....	(6½ bid — asked)			
†90	90	6	6.7	Do. pref.	....	(90 bid — asked)			
18	13	1	6.7	Brit. Amer. Oil	933	15½	15½	15	15½
16	12	1.50	...	B. C. Packers	28	13½	13½	12	13½
22	17	2	10	B. C. Power A.	63	21½	21½	20	20
1.25	.75	.	...	Do. (B)	....	(.75 bid 2.00 asked)			
6	4½	20c	...	Bruck S. Mills.	....	(4½ bid 5½ asked)			
14	11½	70+10c	6	Building Prod.	450	12½	13½	13	13
8½	7½	60c	7.7	Burlington St'l.	....	(7½ bid 8 asked)			

C

Range 1942 High	Low	Div R'te $	July 4 Y'ld %		Sales	Last June 27	Week end. July 6 H	L	Cl'se
..	..	.	...	Caldwell Linen.	....	(4 bid — asked)			
23½	23½	1.50	6.4	Do. 1st pref.	....	(23 bid 24 asked)			
9½	9½	80c	8.4	Do. 2nd pref.	15	9½	9½	9½	9½
†70	70	.	...	Calgary Power	....	(— bid — asked)			
102	98	6	6.1	Do. pref.	....	(98½ bid — asked)			
2½	1½	.	...	Canada Bread	140	1½	2	1½	2
103	98½	6	6.1	Do. pref.	....	(99 bid — asked)			
46	30	2.50	6.6	Do. pref. (B)	....	(34 bid 40 asked)			
5½	5	40c	7.6	Canada Bud	....	(5½ bid — asked)			
5	3½	.	...	Canada Cement	700	4½	4½	4½	4½
102	95½	6.50	6.7	Do. pref.	....	(95 bid 97 asked)			
†5½	5½	40c	...	Can. Cr. Stone.	....	(3½ bid — asked)			
106	102	5	4.8	Canada Cycle, p	....	(104½ bid — asked)			
20½	16½	1.50	9.1	C. & D. Sugar.	210	17	17	16½	16½
19	15	1.50	8.4	Can. Forg. (A)	....	(— bid 20 asked)			
19½	18½	1.50	7.8	Do. (B)	....	(17 bid — asked)			
60	50	6	...	Can. Iron	....	(50 bid — asked)			
80½	80	6	7.5	Do. pref.	....	(75 bid — asked)			
‡390	390	20	...	Canada Life	....	(— bid — asked)			
38	33	2+50c	7.2	Can. Malting.	70	35½	35	35	35
5½	4	60c	12	Can. Nor. Pr.	35	5	5	5	5
88	78½	7	7.9	Do. pref.	10	85	88	88	88
87	74½	4	5.2	Can. Packers	20	80	75	75	75
126	118	8	6.7	Can. Perman.	26	119	120	118	118
9	8½	50c	...	Can. Starch	....	(8½ bid — asked)			
113	111	7	6.2	Do. pref.	....	(111 bid — asked)			
7½	5	.	...	Can. Steamsh's	851	6½	6½	6	6½
29½	25½	2.50	9.1	Do. pref.	210	26½	27½	26½	27
7½	5½	40+10c	9	Can. Vinegars	55	5½	5½	5½	5½
57	49½	4	8	Can. W. Cable.	13	51	50	50	50
24½	18½	2	10.7	Do. (B)	12	18½	18½	18½	18½
108	105	6.50	6.2	Do. pref.	....	(106½ bid — asked)			
1.75	80	.	...	Can. Bakeries.	....	1.25 bid 2.00 asked			
60	48½	‡6.25	...	Do. pref.	25	59	54	54	54
154	140	8	5.5	Can. Bk. Com.	22	148	148	143	145
1.45	1.00	.	...	Can. Breweries	416	1.25	1.35	1.10	1.20
31	23	3.40	12.3	Do. pref.	97	28	28	27½	27½
32	27½	1.50+50c	7	Can. Bronze	15	30	29½	29½	29½
105½	105	5	4.8	Do. pref.	....	(105 bid — asked)			
6	4½	50c	8.6	Can. Canners.	10	5½	5½	5½	5½
22	16	1+20c	6.4	Do. 1st pfd.	15	18½	18½	18½	18½
9½	8	60+20c	9	Do. 2nd pfd.	70	9	8½	8½	8½
6	4½	.	...	Can. Car & Fd'y	5867	5	7	4½	5½
26	21½	1.75	7.4	Do. pref.	338	23½	26	23	26
27½	21½	1+1	8.3	Can. Celanese.	25	24	24	23½	24
125½	120	7+1.15	6½	Do. pref.	40	123	123	121	122½
23	22½	1	4.4	Do. Rights	....	(22 bid — asked)			
17½	15	2	13.3	Can. Convert.	....	(15 bid — asked)			
102½	102	4+2	5.9	Can. Cottons	15	102	102	102	102
116	113	6	5.2	Do. pref.	118	116	115	115	115
14½	9½	.	...	Can. Dredge	200	12	11½	11½	11½
100	98	6	6.1	Can. Fairb. pf.	....	(96½ bid — asked)			
18	15	‡1.90	...	Can. For. Inv.	50	16½	16½	16½	16½
105	105	8	7.6	Do. pref.	....	(105 bid — asked)			
215	208½	8	3.7	Can. Gen. Elec.	....	(151 bid 215 asked)			
7½	6½	50c	7.2	Can. G. Inv.	....	(6½ bid 7½ asked)			
3½	3	10c	...	Can. Ind. Alc.	895	3½	3½	3½	3½
3½	2	10c	...	Do. (B)	100	3½	3½	3	3½
167	140	6	4.2	Can. Indust. B.	22	147½	146	145	145
175	155	7	4.4	Do. pref.	....	(— bid 163 asked)			
.30	.15	.	...	Can. Int. I. Tr.	....	(— bid .15 asked)			
40	39	2	5.1	Do. pref.	10	39	39	39	39
13	12	1	8	Can. Lt. & Pr.	....	(12½ bid — asked)			
9	7	.	...	Can. Locomo.	....	(8 bid 9½ asked)			
.60	.45	4c	...	Can. Marconi.	200	.55	.55	.55	.55
15	10	50+70c	12	Can. Oil	....	(10½ bid 11 asked)			
123	115	8	6.9	Do. pref.	10	115	115	115	115
6½	5	.	...	Can. Pacific	4719	5	5½	5	5½
.35	.10	.	...	C. Pr. & Pa. In.	....	(.15 bid .20 asked)			
1.50	.40	.	...	Do. pref.	....	1.25 bid 2.00 asked			
3½	2	.	...	Can. Vickers	....	(2½ bid 3½ asked)			
25½	20	.	...	Do. pref.	45	25	24½	24	24½
9½	9	1	...	C. Wallpaper A.	....	(9½ bid — asked)			
10	8	1	...	Do. (B)	....	(9 bid 13 asked)			
42½	40	2	5	Can. West'ho'se	....	(— bid 39½ asked)			
20	17½	1.50+37½	8	C. Wire Box	....	(17½ bid 18 asked)			
1.20	.90	.	...	Capital Estates.	....	1.00 bid 1.05 asked			
121	116½	5	4.3	Carnation, pfd.	....	(116 bid — asked)			
6½	5	.	...	Catelli Food	....	(— bid 7 asked)			
10	8	75c	...	Do. pref.	....	(— bid 10 asked)			
†2.00	1.50	.	...	Celtic Knit	....	(1.50 bid — asked)			
†155	145	8	5.5	Cent. Can. L'n.	....	(— bid 135 asked)			
95	80	4	4.2	Chart. Trust	....	(— bid 93 asked)			
3½	2½	.	...	Ch. Gal Wines.	....	(2½ bid 3 asked)			
.12½	.07	.	...	Chem Research	100	.08	.08	.08	.08
.25	.20	.	...	City Gas & El.	....	(.15 bid .20 asked)			
.05	.05	.	...	Claude Neon	....	(— bid .05 asked)			
1.42	1.12	12c	...	Coast Brew	100	1.20	1.17	1.17	1.17
6½	5	50c	...	Cockshutt Plow	325	5½	5½	5½	5½
2.37	1.90	15c	...	Comm. Alcohol	200	2.12	2.00	2.00	2.00
6½	5½	40c	6.9	Do. pref.	....	(5½ bid 6½ asked)			
3½	3½	25c	...	Conduits Nat.	....	(3½ bid 4 asked)			
10½	10	60c	6	Cons. Bakeries.	100	10½	10	10	10
.02	.01	.	...	Cons. Div. Sec.	....	(.01 bid .05 asked)			
7½	6	75c	...	Do. pref.	....	(5 bid — asked)			
2.37	1.60	.	...	Cons. Paper	2540	1.80	1.85	1.75	1.80
4	2	.	...	Cons. Press	....	(3 bid 8 asked)			
81½	76	3.50	...	Cons. Sand, pf.	....	(75 bid 81½ asked)			
39	35	1+1.50	7	Cons. Smelt.	1217	35½	36	35	36
132	110	8	7.1	Consumers' Gas	108	113	113	113	113
69	50	5.25	...	Corr. P. Box, p.	15	60	60	60	60
21½	18	1.20+15c	6	Cosmos Imp.	100	21	21½	21½	21½
24½	21	2	9.5	Crown Cork	10	21	21	21	21
1.50	1.25	.	...	Crown Dom Oil	....	(1.25 bid — asked)			
34½	27½	2	10.5	Crow's N. Coal.	21	30½	28½	28½	28½
.70	.35	.	...	Cub Aircraft	50	.40	.40	.40	.40

D, E

Range 1942 High	Low	Div R'te $	July 4 Y'ld %		Sales	Last June 27	Week end. July 6 H	L	Cl'se
10½	9½	1+15c	...	David & Fre. A	....	(9 bid 9½ asked)			
1.50	1.50	.	...	Do. (B)	....	(.75 bid 1.50 asked)			
7	7	.	...	de Havilland.	....	(— bid 8 asked)			
80	75	7+3.50	8½	Do. pref.	....	(66½ bid — asked)			
1.15	1.00	.	...	Disher Steel	....	(— bid 1.00 asked)			
10	6	1.50	...	Do. pref.	15	10	8	8	8
26½	21	2.22	9.7	Distill-Seagram	800	21½	22½	22	22½
97½	90	5	5.4	Do. pref.	....	(80 bid 94 asked)			
†30	30	4	...	Dom. Ang. Inv.	....	(22 bid — asked)			
†75	70	5	6.7	Do. pref.	....	(75 bid 84 asked)			
191	172	10	5.8	Dom. Bank	34	173	174	173	173
24	22	1.20	5.1	Dom. Bridge	445	23½	23½	23	23
15½	10	.	...	Dom. Coal, pf.	50	12	10½	10½	10½
25	16	.	...	Dom. Engineer.	....	(18 bid 20 asked)			
19	16½	1+25c	7	Dom. Foundries	140	16½	17½	16½	17½
106½	103½	6	5.6	Do. pref.	....	(105 bid 110 asked)			
115	110	5	4.3	Dom. Glass	15	116	115	114	115
152½	150	7	4.7	Do. pref.	....	(150 bid — asked)			
25	22	1.20+40c	7	Dom. Oilcloth.	....	(22 bid 22½ asked)			
.60	.50	.	...	Dom. Scot. Inv.	....	(— bid 1.00 asked)			
24½	23½	1.50	...	Do. pref.	....	(23 bid 25 asked)			
1½	1½	.	...	Dom. Square	40	1½	1½	1½	1½
9½	5½	.	...	Dom. St. & C.B.	767	8½	8½	7	8½
5	3½	10c	...	Dom. Stores	1025	4	4½	4	4½
4½	3	.	...	Dom. Tar & Ch.	25	4	4	4	4
88	86	5.50	6.2	Do. pref.	....	(83 bid 90 asked)			
82½	72	5	6.8	Dom. Textile	32	75	73½	73	73
154	150	7	4.7	Do. pref.	....	(150 bid — asked)			
1.25	.90	.	...	Dom. Woollens.	....	(1.05 bid — asked)			
8	6½	60c	8.3	Do. pref.	500	7½	7	7	7
4	2	10c	...	Donnacona P.	145	3	2½	2½	2½
6	3½	.	...	Dryden Paper.	150	4	4	4	4
†.50	.50	.	...	East Koot. Pr.	....	(.10 bid — asked)			
8	6	.	...	Do. pref.	....	(6 bid 9 asked)			
.50	.35	.	...	East Dairies	....	(.40 bid 1.00 asked)			
10	6½	.	...	Do. pref.	65	9	8½	8	8
12	10	1	...	East Steel	....	(10½ bid 13 asked)			
6½	6½	.	...	East Theat.	....	(6 bid — asked)			
3	2½	.	...	Easy Washing.	....	(2½ bid 3 asked)			
25	25	1.37½	...	Economic Inv.	....	(20 bid 25 asked)			
4½	2½	.	...	Electrolux	....	(4 bid 6 asked)			
3½	2½	.	...	Enam. & Heat.	....	(— bid 2½ asked)			
20½	20	2.50	12.5	English Electric	....	(—bid 24½ asked)			
3	1½	.	...	Do. (B)	....	(2½ bid 4 asked)			
5	4½	15c	...	Equitable Life.	....	(5 bid 6 asked)			

F, G

Range 1942 High	Low	Div R'te $	July 4 Y'ld %		Sales	Last June 27	Week end. July 6 H	L	Cl'se
2½	1½	.	...	Fairchild Air	100	2½	2½	2½	2½
19½	16	1	6.2	Fam. Players.	25	17	16	16	16
22½	15	1.50+25c	10	Fanny Farm.	125	16½	17	16½	17
3½	2½	.	...	Fleet Aircraft.	60	2½	2½	2½	2½
.40	.30	.	...	Fleury Bissell	....	(.30 bid .50 asked)			
20	10	.	...	Do. pref.	....	(10 bid [illegible] asked)			

Range 1942 High	Low	Div R'te $	July 4 Y'ld %		Sales	Last June 27	Week end. July 6 H	L	Cl'se
18½	14½	1	5.6	Ford Motor A.	1723	17½	18	17½	17½
18½	14½	1	5.5	Do. (B)	....	(17½ bid — asked)			
.15	.15	.	...	For. Pr. Secs.	....	(— bid .25 asked)			
16½	12½	‡85+50c	.	Foundation Co.	30	13	13	12½	12½
13	7	*	...	Fraser Cos.	20	10½	10	10	10
13½	9	*	...	Do. Vot. Tr.	125	10	10	9½	10
.50	.50	.	...	Freiman	....	(.50 bid — asked)			
55	55	‡4.50	...	Do. pref.	....	(55 bid — asked)			
6½	4½	60c	10	Gatineau Pwr.	457	5½	6½	5½	6½
77½	61½	5	6.7	Do. pref.	210	75½	75½	74½	74½
80	70	5.50	7.3	Do. 5½% pref.	....	(74½ bid 80 asked)			
†1.25	.25	.	...	Do. Rights	....	(— bid .20 asked)			
6½	5	30c	...	Gen. St. Wares	15	5½	5½	5½	5½
92	86½	7+53c	8½	Do. pref.	65	87	87	85½	85½
60	31½	2.50+2.50		Goodyear Tire.	10	42½	42½	42½	42½
50	39	2.50	5.2	Do. pref.	5	47½	47½	47½	47½
†67	67	1	...	Gould Pumps	....	(— bid — asked)			
†4	2½	.	...	Gt. Lakes Pap.	....	(— bid 3½ asked)			
†16	16	1.50	...	Do. pref.	....	(— bid 20 asked)			
2½	1	.	...	Do. Vot. tr. c.	393	1½	1½	1½	1½
16½	11	1.50	...	Do. Vot. tr. p	9	12	12	12	12
4½	4	.	...	Gt. W. Saddlery	....	(3½ bid 4 asked)			
28	24	3	...	Do. pref.	....	(25 bid — asked)			
11½	10	60c	6	Greening Wire.	....	(10 bid 12½ asked)			
‡1.25	1.25	10c	...	Growers' Wine	....	(— bid — asked)			
3	2	.	...	Gurd, Chas.	25	2½	3	3	3
70	70	.	...	Do. pref.	....	(70 bid 75 asked)			
3½	2½	.	...	Gypsum, Lime.	320	3½	3½	3	3½

H, I

Range 1942 High	Low	Div R'te $	July 4 Y'ld %		Sales	Last June 27	Week end. July 6 H	L	Cl'se
14½	14½	1	...	Halifax Fire	....	(15 bid — asked)			
3½	2	.	...	Ham. Bridge	....	(2½ bid 2½ asked)			
36	28	2	6.7	Ham. Cot., pf.	....	(— bid 34 asked)			
1.50	.65	.	...	Ham. U. Theat.	....	(.50 bid 1.40 asked)			
75	73	5	6.8	Do. pref.	....	(55 bid 75 asked)			
3½	2½	20+10c	..	Harding Carpet	300	2½	3½	3½	3½
14	9½	‡50c	..	Hinde & Dauch	115	13	13	13	13
5	5	.	...	Holt Renfrew.	....	(— bid — asked)			
65	40	.	...	Do. pref.	....	(— bid 70 asked)			
19	16	2	11.4	Honey Dew	7	19	18	17½	17½
14	9	.	...	H. Smith Pap.	650	9	9	9	9
100	96½	6	6.1	Do. pref.	5	99	98½	98½	98½
9½	3	.	...	Humberstone S	....	(3½ bid 6 asked)			
8½	6½	.	...	Hunts (A)	....	(— bid 6 asked)			
8½	7	.	...	Do. (B)	....	(— bid 8 asked)			
55	46	4	8.3	Huron & E. Mt.	68	50	50	46	46
8	7	80c	...	Do. 20% pd.	20	7	7½	7½	7½
1.00	.75	.	...	Hydro Electric.	....	(.20 bid 1.00 asked)			
204	175	10	5.6	Imperial Bank.	35	180	180	178	178
†275	275	15	...	Imperial Life.	....	(— bid 275 asked)			
9½	7½	50c	5.7	Imperial Oil	1665	8½	8½	8½	8½
12½	9½	40+17½c	5½	Imperial Tob.	998	9½	9½	9½	9½
7½	6½	6%	4.5	Do. pref.	1	6½	6½	6½	6½
..	..	50+10c	..	Imp. Varnish	....	(8½ bid 9½ asked)			
27½	27½	1.50	5.4	Do. pref.	....	(27½ bid 28½ asked)			
9½	6½	.	...	Indust. Accept.	....	(8½ bid 9 asked)			
25	22	3	...	Inter-City Bak.	....	(25½ bid 35 asked)			
†50	39	‡5	...	Inter'c Coal	....	(— bid — asked)			
‡120	120	8	...	Do. pref.	....	(— bid — asked)			
12½	10	1.50	13.6	Inter. Bronze	....	(10½ bid 13 asked)			
22½	20	1.50	7	Do. pref.	40	21	21½	21½	21½
.25	.25	3c	..	Int. Coal & C.	....	(.26 bid .40 asked)			
7½	5	.	...	Int. Metal Ind.	55	5½	5½	5½	5½
99	85	6	6.5	Do. pref.	....	(90 bid 92 asked)			
92	90	6	6.7	Do. pref. A.	....	(— bid 90 asked)			
115	111	5	4.4	Int. Mill., pf.	110	113	112½	112	112
36½	29	2	6.7	Int. Nickel	2239	30	30½	29½	30
157½	143	7	...	Do. pref.	....	(— bid — asked)			
1.50	1.05	.	...	Int. Paints	....	1.60 bid 2.00 asked			
15	13	1+25c	7½	Do. pref.	....	(12 bid 15 asked)			
16	13½	.	...	Int. Pap. & P.	....	(— bid — asked)			
65	57½	5	8.7	Do. pref.	....	(— bid — asked)			
13½	11	1	8.1	Int. Pete.	1219	12	12½	12	12½
2½	2	.	...	Int. Power	....	(2 bid — asked)			
90	85	7	8	Do. pref.	....	(— bid 87½ asked)			
*11½	10½	.	...	Int. St. Rlty. A.	....	(— bid 10 asked)			
*4	3½	.	...	Do. (B)	....	(— bid 4 asked)			
3½	2	.	...	Int. Util. (A)	....	(2½ bid 2½ asked)			
.16	.06	.	...	Do. (B)	100	.10	.10	.10	.10

J, K, L

Range 1942 High	Low	Div R'te $	July 4 Y'ld %		Sales	Last June 27	Week end. July 6 H	L	Cl'se
†13	13	68c	5.3	Jam. Pub. Ser.	....	(— bid 12½ asked)			
115	100	7	7	Do. pref.	....	(100 bid — asked)			
8½	7½	.	...	Kelvinator	....	(7 bid 8 asked)			
10	5	.	...	L. St. John Pr.	....	(6½ bid 6½ asked)			
17½	14½	1.20	7.3	Lake of Woods.	16	16½	17	16½	17
118	113	7	5.9	Do. pref.	....	(118 bid — asked)			
48	47	4	8.4	Landed Bank	....	(47½ bid 54 asked)			
12	8	70+30c	12	Lang, J. A.	200	8	8	8	8
*3.50	2.50	.	...	Langley's	....	(— bid — asked)			
23	20	2	...	Do. pref.	....	(22 bid 24½ asked)			
10½	6½	80c	10.7	Laura Secord.	25	7½	7½	7½	7½
9½	8	.	...	Legare, pref.	....	(8 bid — asked)			
3	3	10c	...	Levy Bros.	....	(2½ bid 3 asked)			
6½	5	.	...	Lindsay, C. W.	201	6	6½	6½	6½
53½	50	2	...	Do. pref.	....	(50 bid — asked)			
25½	19½	1+25c	6	Loblaw (A)	140	21	21	20½	20½
25½	18½	1+25c	6.6	Do. (B)	45	19	19	19	19

M

Range 1942 High	Low	Div R'te $	July 4 Y'ld %		Sales	Last June 27	Week end. July 6 H	L	Cl'se
1.00	1.00	.	...	Mackenzie Air	....	(— bid — asked)			
2	½	.	...	Mackin. Steel	....	(— bid 4 asked)			
65	60	5	7.7	Do. pref.	....	(55 bid 75 asked)			
16	12½	25c	...	Maclaren Pr.	....	(12½ bid 16 asked)			
7	5	.	...	M. L. Gardens.	....	(5½ bid 8½ asked)			
6	4½	40c	8	Do. pref.	....	(5 bid 6 asked)			
3.00	1.50	.	...	Maple Leaf M.	90	1.80	2.00	1.80	1.80
5½	3	.	...	Do. pref.	202	5	5	5	5
15	15	80+2½c	..	Maritime Tele.	....	(15½ bid — asked)			
17	17	70c	4.1	Do. pref.	....	(16½ bid — asked)			
†18	14½	.	...	Marcus Loew's.	....	(18½ bid — asked)			
95	95	7	7.4	Do. pref.	....	(94 bid — asked)			
3½	2½	.	...	Massey-Harris	335	3½	3½	3	3½
12½	10½	62½c	..	Do. pref.	775	11½	11½	11½	11½
4½	2½	.	...	McColl Fron.	110	3	3	3	3
95	73	6	8.1	Do. pref.	5	75½	74	74	74
1.00	1.00	.	...	Melchers	....	1.00 bid 2.00 asked			
6½	5½	80c	9.8	Do. pref.	8	6½	6½	6½	6½
3	2	.	...	Mercury Mills.	....	(2½ bid 3 asked)			
†50	45	2.50	...	Mitchell, J. S.	....	(— bid 45 asked)			
15	11½	1	...	Mitchell, Robt.	220	13	14	13½	14
†17½	15	80+40c	8	Mod. Contain.	....	(12½ bid 15 asked)			
†98	97½	5.50	5.6	Do. pref.	....	(— bid 95 asked)			
†2	1½	.	...	Monarch Knit.	....	(3 bid — asked)			
65	48	7	...	Do. pref.	15	48	56	53	53
67	67	4	5.9	Montreal Cot.	....	(65 bid — asked)			
117	111½	7	6	Do. pref.	10	115	117	117	117
1.00	.25	.	...	Mont. Is. Pr.	....	(.25 bid 1.00 asked)			
24	19½	1.50	7.2	Mont. L. & Pr.	1154	21	21	20½	21
50½	49	.	...	Do. Notes	....	(49½ bid 49½ asked)			
14	13	1.25	...	Montreal Loan	25	13	14	14	14
.80	.70	.	...	Mtl. Refrig & S	....	(.75 bid — asked)			
15½	11½	1.25	...	Do. pref.	....	(15½ bid — asked)			
24½	20	*1.34	...	Montreal Tele.	....	(21½ bid — asked)			
20	12	.	...	Montreal Trams	5	19½	17	17	17
45	39½	2.22+66½	7	Moore Corp.	314	40½	40½	40	40½
178	158	7	4.4	Do. pref. (A)	....	(160 bid 168 asked)			
265	235	7	2.9	Do. pref. (B)	....	(240 bid — asked)			
.10	.10	.	...	Muirheads	....	(.10 bid .25 asked)			
1	.1	.	...	Do. pref.	....	(2 bid 4 asked)			

N, O

Range 1942 High	Low	Div R'te $	July 4 Y'ld %		Sales	Last June 27	Week end. July 6 H	L	Cl'se
26	23½	2	8.3	Nat. Breweries.	425	24½	25	24	25
40	38	1.75	4.6	Do. pref.	10	37	38	38	38
7	4	40c	...	Nat. Grocers	100	6½	6½	6½	6½
26	24½	1.50	5.8	Do. pref.	520	25½	26	25½	26
9	8	.	...	N. Sew. Pipe A	....	(8½ bid 9½ asked)			
34½	28	2	6.7	Nat. Steel Car.	25	28	29½	29½	29½
138	134	8	5.9	National Tr.	....	(132 bid 140 asked)			
‡9½	9½	60c	...	Neon Prod.	....	(— bid — asked)			
18	13½	2	14.8	Niag. W. Weav.	....	(— bid 13 asked)			
3½	2	.	...	Noorduyn Av.	....	(2 bid 3 asked)			
.55	.25	.	...	North Star Oil.	....	(— bid .80 asked)			
3½	2½	35c	12.7	Do. pref.	750	3	3	2½	2½
87½	86	6	6.8	N. S. L. & Pr.	38	86	87½	87½	87½
108½	105½	6	5.6	Do. pref.	....	(107 bid — asked)			
22	20	1	4.9	Ogilvie Flour.	211	20½	20½	20½	20½
155	151	7	4.6	Do. pref.	13	151	151½	151½	151½
110	107½	5	4.6	Ontario Loan	....	106 bid 113½ asked			
†3	3	.	...	Ont. Silknit	....	(— bid 2 asked)			
35	30	‡1	...	Do. pref.	....	(30 bid 35 asked)			
10	9	1	...	Do. Scripts	....	(7 bid — asked)			
10	10	1	10	Ont. Steel	....	(7½ bid 10 asked)			
†110	110	7	6.4	Do. pref.	....	(108 bid 120 asked)			
.60	.45	.	...	Orange Crush.	....	(.50 bid — asked)			
3	1½	.	...	Do. pref.	....	(1½ bid — asked)			
5	4	40c	...	Ott. Car Air	....	(— bid 16 asked)			
16	12	2	13.2	Ottawa El. Rly.	....	(15½ bid — asked)			
5½	4	60c	10.4	Ott. L. H. & Pr.	170	5½	5½	5½	5½
80	78	5	6.2	Do. pref.	....	(78 bid — asked)			

P, Q, R

Range 1942 High	Low	Div R'te $	July 4 Y'ld %		Sales	Last June 27	Week end. July 6 H	L	Cl'se
†35	33	3c	..	Pacific Coyle	....	(— bid 35 asked)			
103	92	5	5.3	Page Hersey	20	95	93½	93½	93½
5	5	.	...	Pantepec Oil	....	(— bid 6½ asked)			
30½	30½	4	...	Paton Mfg.	....	(30 bid — asked)			
†115	115	7	6.1	Do. pref.	....	(111 bid — asked)			
48	47	3	6.4	Penmans	....	(— bid 47 asked)			
124	120	6	5	Do. pref.	2	121	120	120	120
5	5	25c	...	People's Cr. Sec	....	(4½ bid 5½ asked)			
14½	10	1	10	Photo Eng.	50	10	10½	10½	10½
98½	96	7	7.1	Porto Rico Pr p	....	(99 bid 100½ asked)			
4½	2½	30c	...	Power Corp.	70	3½	4½	4	4
85	73	6	7.2	Do. pref.	20	83	83	83	83
33½	31	3	9.4	Do. 2nd pref.	60	32	32	32	32
4½	3	.	...	Pressed Metals.	....	(3½ bid 4 asked)			
11	7½	.	...	Price Bros.	170	7½	7½	7½	7½
70	60	5.50	9.2	Do., pref.	....	(— bid 61 asked)			
6	4½	40c	6.7	Prov. Transport	35	6	6	6	6
13	11	1	8.3	Quebec Power	50	12	12	12	12
4	4	.	...	Que. Telephone	....	(4 bid — asked)			
24	24	2	8.3	Real Estate L'n	....	(23 bid — asked)			
5	3	50c	...	Regent Knit	580	4	5	4	5
19	15½	1.60	8.4	Do. pref.	....	(19 bid 21 asked)			
3½	3	.	...	Reliance Grain.	....	(3½ bid — asked)			
67	66	6.50	9.7	Do. pref.	....	(67 bid 73 asked)			
24	17½	2	8.7	River S. Mill.	....	(18 bid 23 asked)			
8	5½	60c	10	Rolland Pap.	....	(6 bid — asked)			
94	90	6	6.7	Do. pref.	....	(90 bid 95 asked)			
155	146	8	5.4	Royal Bank	166	146	150	147	148
15½	12	80c	5.3	Russell Indust.	....	(12½ bid 15 asked)			
150	130½	7	5.1	Do. pref.	....	(130 bid 145 asked)			

S

Range 1942 High	Low	Div R'te $	July 4 Y'ld %		Sales	Last June 27	Week end. July 6 H	L	Cl'se
106	103	5.50	5.3	Saguenay Pr. p.	20	106	104½	104½	104½
24½	24½	1	4.1	Sangamo	....	(23 bid — asked)			
8	6	.	...	Sarnia Br. (A)	10	8	7	7	7
.75	.75	.	...	Do. (B)	3	..	.75	.75	.75
..	..	1+50c	..	Scythes & Co.	....	(15 bid 19½ asked)			
..	..	1.75	...	Do. pref.	....	(25 bid — asked)			
14	12	90c	6.9	Shawinigan Pr.	503	12½	13	12½	13
13½	12½	45c	...	Sher. Wms.	....	(— bid 12½ asked)			
115½	110	7	6.1	Do. pref.	10	110	115	115	115
8½	6	40c	4.7	Silverwoods	70	8½	8½	8½	8½
7	5½	40c	5.7	Do. pref.	120	7	7	7	7
10	7	60+15c	10	Simon & Sons	....	(7½ bid 9½ asked)			
105	105	7	6.7	Do. pref.	....	(100 bid — asked)			
7½	4	.	...	Simpson, A.	....	(3 bid 4½ asked)			
2	1	.	...	Do. (B)	....	(1 bid 2½ asked)			
89	66	6.50	9.3	Do. pref.	49	70	70	70	70
†135	132	6	4.4	Simpson, R., pf.	....	(132 bid 140 asked)			
10½	8½	80c	7.6	So. Can. Pr.	60	9	10½	10½	10½
100½	99½	6	6.0	Do. pref.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
2.00	1.00	.	...	St. Law. Corp.	390	1.10	1.10	1.10	1.10
15½	10	1	9.3	Do. (A)	250	10	10½	10	10½
25	22	1.40+50c	8	St. Law Flour	....	(22 bid — asked)			
122	115	7	5.7	Do. pref.	....	(— bid 120 asked)			
43	24½	3	12.2	St. Law. Pap. p	160	26	25	24½	25
11	9	50c	...	Stan. Chem.	....	(9½ bid 10 asked)			
2	1	.	...	Stand. Clay	....	(1 bid 6 asked)			
.50	.25	.	...	St. Pav. & Mat.	....	(.45 bid .55 asked)			
5	4	31¼c	...	Do. pref.	....	(4½ bid 6 asked)			
4	3	30c	...	Stand. Radio	30	3½	3½	3½	3½
20	13½	60+60c	9	Stedman Bros.	....	(15 bid 20 asked)			
63½	57	3	4.9	Steel of Can.	225	63	62½	61	61
70½	64	3	4.3	Do. pref.	150	68½	70	69	69
3	3	.	...	Sterling Coal	....	(3 bid 5 asked)			
.25	.15	.	...	Stop & Shop.	....	(— bid .25 asked)			
13½	11½	80+50c		Stuart, D.A., pf.	100	11½	12	12	12
‡13	2½	.	...	Supersilk H. A.	....	(— bid 2 asked)			
†3	2½	.	...	Do. (B)	....	(— bid 3 asked)			
57	57	5	8.8	Do. pref.	....	(— bid 73 asked)			
19	19	1+25c	6.6	Sup. Pete. ord.	....	(18½ bid 21½ asked)			
20	20	1+25c	6.2	Do. com.	....	(18½ bid 32 asked)			

T, U, V

Range 1942 High	Low	Div R'te $	July 4 Y'ld %		Sales	Last June 27	Week end. July 6 H	L	Cl'se
11½	8½	80c	8	Tamblyn	....	(9½ bid 10 asked)			
52½	52½	2.50	4.8	Do. pref.	....	(52½ bid — asked)			
1.25	1.25	.	...	Thayers	....	(1.25 bid — asked)			
24	20	3.50	...	Do. pref.	....	(20 bid 35 asked)			
2½	1	.	...	Thrift Stores	90	2	2½	2½	2½
14	10	.	...	Do. pref.	30	14	14	14	14
8½	6½	60c	8.9	Tip Top Tailors	....	(— bid 6½ asked)			
106	97	7	7.2	Do. pref.	....	(98 bid 100 asked)			
†1.50	1.00	.	...	Tooke Bros.	....	(1.00 bid — asked)			
13½	12	.	...	Do. pref.	....	(13½ bid 25 asked)			
20	16½	1	5.6	Tor. Elevators.	....	(16 bid 18 asked)			
50	47½	2.62½	5.5	Do. pref.	....	(45 bid 48 asked)			
76	63	4	5.7	Tor. Gen. Tr.	....	(66 bid 73 asked)			
84½	68	5	7.3	Toronto Mtge.	5	69	68½	68½	68½
151	147	7	4.7	Tuckett Tob. p.	....	(148½ bid — asked)			
3½	1	.	...	Twin City	212	2½	2½	2	2½
28½	28½	.	...	Do. pref.	....	(— bid — asked)			
10½	5½	80+20c	15	Union Gas	685	5½	6½	5½	6½
13	13	80c	6.2	Un. Amuse. A.	....	(11½ bid — asked)			
†13½	13	80c	5.9	Do. (B)	....	(11½ bid — asked)			
1.20	.15	10c	...	United Distill.	....	(1.00 bid — asked)			
36	29	3	9.5	United Fuel, pf.	50	29½	31½	31	31
3½	2½	.	...	Do. (B) pref.	150	3½	3½	3½	3½
2½	1	.	...	United Secs.	....	(1½ bid — asked)			
4½	2½	.	...	United Steel	205	3½	3½	3½	3½
3½	3	.	...	Viau Bisc.	....	(— bid — asked)			
52	48½	5	10.2	Do. pref.	15	50½	49	49	49

W, Y, Z

Range 1942 High	Low	Div R'te $	July 4 Y'ld %		Sales	Last June 27	Week end. July 6 H	L	Cl'se
44	35	4	10.2	Wabasso Cot.	170	41	39	39	39
50½	40	4	9.7	Walker-Good.	1480	40	41½	40	41
21	18½	1	5.2	Do. pref.	250	19	19	18½	18½
1.10	1.00	5c	...	Walkerville Br.	120	1.10	1.10	1.10	1.10
136	136	7	5.2	W. Koot. Pr. p.	....	(135 bid — asked)			
1.20	1.00	.	...	West. C. Flour.	....	1.10 bid 1.25 asked			
29	18	.	...	Do. pref.	....	(25½ bid 29 asked)			
51	44	3+2	10.2	West Grocers	....	(— bid 60 asked)			
111	109	7	6.3	Do. pref.	25	111	110½	110½	110½
‡15½	11½	50c	...	W'minster Pap.	....	(— bid — asked)			
11½	9½	80c	8.2	Weston Ltd.	50	9½	9½	9½	9½
94½	90	5	5.5	Do. pref.	15	92	90	90	90
16½	14½	1	6.9	Wilsils	....	(— bid 14½ asked)			
1.15	.65	.	...	Winnipeg El. A.	4	1.10	1.15	1.15	1.15
1.25	.60	.	...	Do. (B)	120	1.15	1.15	1.15	1.15
12½	5½	.	...	Do. pref.	53	10	12	9	9
80	68	7	10.3	Wood, A. & J. p	30	75	68	68	68
60	55	.	...	Woods Mfg. pf.	300	60	60	60	60
5	4	40c	...	York Knitting.	50	4	4	4	4
*100	100	7	...	Do. 1st pref.	....	(— bid — asked)			
12	10½	80c	6.7	Zellers	45	12	12	12	12
25	24½	1.50	6.1	Do. pref.	....	(— bid 24½ asked)			

Quotations: †1941. § 1940. • 1939. *1938.

▲ On account of arrears.

■ Participating. ‡ Paid in 1941.

* Net after corporate income tax paid in 1942 to date.

‡ Paid or payable in 1942 to date.

Mining Stocks

Week Ending July 6

A

Par Val.	Range 1942 High	Low	Company	Sales	Close June 27 (or last)	High for week	Low for week	Close July 6
No	.16½	.07½	Aldermac	6,300	.10	.10	.09	.09
1	.00½	.00½	Amm. Gold	......	(.00½ bid .01 asked)			
No	2.55	1.75	Anglo-Huronian	20	2.00	2.00	2.00	2.00
No	.25	.20	Argus Interests	125	.25	.25	.20	.20
No	†.03	.01	Arno	......	(.... bid .01½ asked)			
1	.04½	.02	Ashley	4,500	.02½	.03	.03	.03
1	.02	.01½	Astoria Quebec	......	(.... bid .02 asked)			
1	1.47	.85	Aunor Gold	1,925	1.05	1.10	1.05	1.10

B

Par Val.	Range 1942 High	Low	Company	Sales	Close June 27 (or last)	High for week	Low for week	Close July 6
1	.06	.02	Bagamac	......	(.04½ bid .... asked)			
1	.05½	.02½	Bankfield	500	.03½	.03½	.03½	.03½
No	.09½	.06	Base Metals	13,700	.06½	.07	.06½	.07
1	.06½	.02½	Bear Exploration.	7,000	.04½	.04	.03½	.03½
1	.94	.56	Beattie Gold	2,150	.70	.68	.58	.58
1	.03	.02½	Beaufor	......	(.02½ bid .05 asked)			
1	.65	.60	Berens River	......	(.35 bid .80 asked)			
1	.10	.04½	Bidgood Kirk	3,000	.06	.06	.05½	.06
1	.12½	.06	Bobjo	11,100	.11	.11	.09½	.09½
1	.32½	.09	Bonetal Gold	3,500	.10	.10	.10	.10
1	.03	.01½	Bouscadillac G.M.	......	(.01½ bid .02½ asked)			
No	9.30	6.40	Bralorne	1,005	7.20	6.90	6.40	6.40
1	*.03	.02½	Brazil Gold	......	(.... bid .02½ asked)			
1	.00½	.00½	Brett Trethewey.	......	(.00½ bid .00½ asked)			
1	.61	.36	Broulan Porc.	2,800	.44	.45	.42½	.45
1	2.80	.90	Buffalo Ankerite.	1,510	1.66	1.69	1.50	1.50
No	.02½	.01	Buffalo Can.	......	(.... bid .02½ asked)			
5	12.50	5.00	Bulolo Gold	400	7.50	8.00	8.00	8.00
No	.01½	.01	Bunker Hill	......	(.01 bid .03 asked)			

C

Par Val.	Range 1942 High	Low	Company	Sales	Close June 27 (or last)	High for week	Low for week	Close July 6
1	*.11	.05	Camp Bird	......	(.01 bid .09 asked)			
No	.49	.23	Can. Malartic	50	.35	.35	.35	.35
1	1.72	1.00	Cariboo Gold	400	1.08	1.09	1.08	1.08
1	.01	.00½	Cartier Malartic.	......	(.01 bid .... asked)			
1	.60	.45	Castle Trethewey.	......	(.50 bid .60 asked)			
1	.05	.02	Cen. Cadillac	1,000	.02½	.03	.03	.03
1	1.30	.80	Cen. Patricia	650	.92	.95	.88	.92
1	.01½	.05	Cen. Porcupine.	500	.06	.05½	.05½	.05½
1	†.18½	.15	Century Mining.	......	(.... bid .13½ asked)			
1	1.50	.70	Chesterville	7,475	.75	.75	.70	.70
No	2.20	1.20	Chromium	50	1.25	1.25	1.25	1.25
5	1.10	.50	Coast Copper	......	(.... bid 1.00 asked)			
1	.74	.46	Cochenour Willans	5,300	.65	.65½	.63	.65½
5	1.15	.80	Coniagas	......	(.76 bid .... asked)			
No	.94	.60	Coniaurum	400	.71	.70	.65	.65
5	39.00	35.00	Cons. Smelters.	1,217	35.25	36.00	35.00	36.00

D, E

Par Val.	Range 1942 High	Low	Company	Sales	Close June 27 (or last)	High for week	Low for week	Close July 6
1	.65	.26½	Delnite	100	.50	.45	.45	.45
1	.06	.02½	Denison Nickel.	2,700	.04½	.04½	.04	.04½
No	17.50	10.37	Dome Mines	365	14.50	14.25	13.50	13.50
1	.10	.02½	Duquesne	3,000	.03½	.03	.03	.03
1	2.24	1.22	East Malartic	4,875	1.31	1.32	1.25	1.30
1	.53	.32	Eldorado	4,550	.40½	.49½	.48	.49

F, G

Par Val.	Range 1942 High	Low	Company	Sales	Close June 27 (or last)	High for week	Low for week	Close July 6
No	3.60	2.30	Falconbridge	825	2.50	2.70	2.51	2.55
1	.02½	.01½	Federal	7,000	.02	.02	.02	.02
No	.42½	.19	Francoeur Gold.	2,500	.21	.22	.20	.20
1	.04	.01½	Gillies Lake	1,500	.01½	.03	.02½	.02½
1	.01	.01	Glenora	......	(.00½ bid .01 asked)			
No	.20	.08	God's Lake	200	.09½	.10	.10	.10
1	.11½	.06½	Goldale	......	(.08 bid .11 asked)			
50c.	.15	.13	Gold Belt	......	(.... bid .14 asked)			
1	.06½	.03½	Gold Eagle	2,500	.06½	.06	.06	.06
1	.04½	.01	Golden Gate	3,000	.01½	.02	.01½	.02
1	.00½	.00½	Goodfish	......	(.00½ bid .01 asked)			
1	.01½	.01½	Graham Bosquet.	......	(.01½ bid .02½ asked)			
No	.05	.03½	Grandora	......	(.03 bid .... asked)			
1	.02	.01½	Grull Wihksne	......	(.01½ bid .02½ asked)			
1	.14	.07	Gunnar Gold	3,400	.09	.09	.08	.08

H, I, J

Par Val.	Range 1942 High	Low	Company	Sales	Close June 27 (or last)	High for week	Low for week	Close July 6
1	.03	.01½	Halcrow Swayze.	500	.01½	.01½	.01½	.01½
1	.00½	.00½	Halliwell Gold.	......	(.00½ bid .01½ asked)			
1	3.00	1.80	Hallnor Mines	......	(1.95 bid 2.15 asked)			
1	.55	.32	Hard Rock	3,600	.35	.36	.34	.36
1	.04½	.02	Harker	......	(.02 bid .03 asked)			
1	.29	.25½	Hedley Mascot.	......	(.25 bid .... asked)			
5	10.50	6.65	Hollinger	1,588	7.75	8.00	7.60	7.75
1	.20	.13	Howey Gold	3,100	.16	.17	.15	.16
No	28.12	21.75	Hudson Bay	855	23.37	24.00	23.00	23.50
1	.31	.19	Inspiration	500	.30	.30	.28	.30
No	36.25	29.00	Int. Nickel	2,259	30.00	30.25	29.50	30.00
50.	*1.30	.85	Island Mountain.	......	(.... bid 1.35 asked)			
1	.01½	.00½	Jacola	1,000	.01½	.00½	.01	.00½
1	.20	.06	Jack Waite	......	(.07 bid .15½ asked)			
1	.29½	.15	Jason Mines	4,637	.15½	.16	.15	.15½
1	.02½	.01	Jellicoe	1,000	.02	.01½	.01½	.01½
1	.01½	.00½	J. M. Cons. Gold.	500	.00½	.01	.01	.01
1	.03½	.01½	Joliet Quebec	5,500	.01½	.01½	.01½	.01½

K, L

Par Val.	Range 1942 High	Low	Company	Sales	Close June 27 (or last)	High for week	Low for week	Close July 6
1	4.40	2.93	Kerr Addison	11,134	4.00	4.05	3.90	3.90
1	.22	.22	Kerr Lake	......	(.10 bid 1.00 asked)			
1	.05	.00½	Kirk. Gold Rand.	......	(.01½ bid .03½ asked)			
1	.26	.12	Kirk. Hud. Bay.	......	(.18 bid .25 asked)			
1	.62	.40	Kirkland Lake	2,710	.45	.45	.40	.44
1	12.00	6.75	Lake Shore	735	8.00	8.30	8.00	8.05
No	4.15	3.15	Lamaque Gold	415	3.50	3.50	3.35	3.50
1	.09	.04	Lapa Cadillac	......	(.05½ bid .07 asked)			
1	.01½	.00½	Lebel Oro	......	(.00½ bid .01½ asked)			
1	.60	.38½	Leitch Gold	4,700	.52	.53	.51	.52
No	1.35	.85	Little Long Lac.	1,200	.99	1.03	.85	.85

M

Par Val.	Range 1942 High	Low	Company	Sales	Close June 27 (or last)	High for week	Low for week	Close July 6
1	2.85	2.02	Macassa	1,850	2.11	2.15	2.07	2.07
1	1.68	1.05	MacLeod Cockshutt	3,070	1.33	1.35	1.25	1.28
1	.54	.30	Madsen Red Lake	2,635	.44	.44½	.42	.43
1	2.25	1.15	Malartic Gold	18,600	1.45	1.52	1.42	1.51
No	.00½	.00½	Man. & Eastern.	......	(.00½ bid .00½ asked)			
1	.02	.01	Maralgo	......	(.01½ bid .04 asked)			
5	45.50	38.00	McIntyre	150	39.50	40.50	39.50	39.50
1	1.04	.50	McKenzie R. L.	1,500	.60	.59	.58	.58
1	.03	.01	McLellan Gold	......	(.01½ bid .02 asked)			
1	.05	.03	McVittie Graham	......	(.04½ bid .07 asked)			
No	.10	.06½	McWatters	500	.07½	.08	.08	.08
5	1.20	.15	Mentor Explor.	......	(.... bid .... asked)			
No	1.40	.95	Mining Corp.	609	1.15	1.10	1.10	1.10
1	[illegible]	.05	Moffatt Hall	......	(.... bid .... asked)			
1	.30	.30	Moneta	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

N, O

Par Val.	Range 1942 High	Low	Company	Sales	Close June 27 (or last)	High for week	Low for week	Close July 6
1	.23	.08½	Naybob	7,000	.12	.11½	.10½	.10½
1	.50	.31	Negus Mines	1,000	.38	.36	.36	.36
5	1.01	.75	Nipissing	......	(.85 bid 1.00 asked)			
No	52.00	41.00	Noranda	461	42.12	43.25	42.00	43.00
No	.25	.14	Nor. Canada	......	(.15 bid .30 asked)			
1	.04	.03	Norgold	......	(.02½ bid .04 asked)			
No	.90	.60	Normetals	3,300	.62	.61	.60	.60
1	*6.00	3.75	Northern Empire.	......	(2.00 bid .... asked)			
1	.91	.48	O'Brien	1,900	.63	.58½	.58	.58
1	.10	.05	Omega	......	(.06 bid .07½ asked)			
1	.16	.06½	Ontario Nickel.	124,500	.12½	.14½	.12	.14
1	.06	.02	Osisko	......	(.02½ bid .... asked)			

P, Q, R

Par Val.	Range 1942 High	Low	Company	Sales	Close June 27 (or last)	High for week	Low for week	Close July 6
No	.90	.40	Pamour	3,990	.50	.50	.40	.45
1	.04	.02	Pandora	5,333	.03	.03	.02	.03
1	.02	.01	Partanen Mal.	......	(.01½ bid .01½ asked)			
1	3.00	2.00	Pato Cons. G.	......	(2.10 bid 2.50 asked)			
1	.00½	.00½	Pawnee Kirk.	......	(.00½ bid .01 asked)			
1	.19	.10	Paymaster	9,300	.15½	.15½	.14½	.15
1	1.75	1.00	Pend Oreille.	3,300	1.14	1.15	1.00	1.00
1	1.39	.90	Perron Gold	2,825	.95	.95	.90	.90
1	2.35	1.38	Pickle Crow	2,111	1.70	1.70	1.60	1.65
1	2.20	1.24	Pioneer Gold B.C.	2,715	1.40	1.38	1.24	1.25
1	6.00	4.25	Placer Devel.	100	5.00	5.00	5.00	5.00
1	.75	.40	Powell Rouyn	3,400	.50	.41	.40	.40
1	.60	.35	Premier Gold	300	.50	.50	.45	.45
1	3.20	1.64	Preston E. Dome.	15,375	1.80	1.80	1.66	1.67
No	.20	.15	Prospectors Air's.	......	(.10 bid .20 asked)			
1	.25	.20	Quebec Gold	......	(.20 Jun 20)			
1	.39	.08	Queenston Gold.	......	(.15 bid .24½ asked)			
No	.06	.02	Quemont	800	.05½	.05	.05	.05
No	.00½	.00½	Red Crest	......	(.... bid .03 asked)			
1	.45	.40	Reeves McDonald	......	(.... bid .... asked)			
1	.25	.02½	Reno Gold	5,000	.04	.04	.04	.04
1	.03	.02	Roche Long Lac.	1,000	.03	.02½	.02½	.02½

S, T, U, V, W, Y

Par Val.	Range 1942 High	Low	Company	Sales	Close June 27 (or last)	High for week	Low for week	Close July 6
1	2.05	1.35	San Antonio	3,075	1.55	1.65	1.58	1.60
1	.02½	.00½	Sand River	......	(.... bid .02 asked)			
1	.18	.09	Senator Rouyn	1,700	.16	.16	.15	.16
1	.01½	.01	Shawkey	......	(.01 bid .01½ asked)			
50c.	.83	.65	Sheep Creek	1,800	.70	.68	.65	.65
1	.98	.60	Sherritt Gordon.	4,884	.62	.65	.60	.64
1	6.00	4.05	Sigma Mines	300	5.00	4.80	4.75	4.80
1	.50	.28	Siscoe	1,533	.39	.40	.37	.38
1	.34	.17	Sladen Malartic.	2,500	.24	.25	.22	.22
1	.06	.01	Slave Lake	3,500	.02	.01½	.01½	.01½
1	.04	.01½	St. Anthony	1,000	.01½	.01½	.01½	.01½
No	1.96	.87	Steep Rock	46,780	1.18	1.16	.87	1.05
No	.01½	.00½	Straw Lake	......	(.01 bid .01½ asked)			
1	.13½	.08½	Sturgeon River.	......	(.11 bid .12½ asked)			
No	1.70	1.10	Sudbury Basin.	......	(1.38 bid 1.50 asked)			
1	.02½	.01½	Sudbury Contact.	......	(.01½ bid .03½ asked)			
1	.65	.48	Sullivan Cons.	2,000	.57	.55	.52	.52
1	1.98	1.15	Sylvanite	865	1.42	1.65	1.60	1.65
1	2.34	1.50	Teck Hughes	2,895	1.60	1.60	1.50	1.60
1	.03½	.03	Temiskaming	......	(.03 bid .04 asked)			
1	1.10	.75	Toburn Gold	600	.80	.80	.75	.79½
1	.13	.09	Towagmac	......	(.09 bid .12½ asked)			
No	.50	.23	Trans. Resources.	1,100	.27½	.23	.23	.23
1	.05	.01	Uchi Gold	1,500	.04½	.04½	.04½	.04½
	40.00	15.00	Uchi Bonds	100	26.00	25.50	25.50	25.50
1	1.24	.59	Upper Canada	2,600	.82	.84	.80	.80
No	5.00	2.95	Ventures	410	4.15	4.00	3.85	4.00
No	4.80	4.00	Waite Amulet	2,546	4.25	4.25	4.25	4.25
1	.17	.08	Wendigo	200	.15	.14	.14	.14
1	.01½	.00½	Wiltsey Coughlan	......	(.00½ bid .... asked)			
1	.04	.02	Wood Cadillac	8,500	.02½	.02	.02	.02
No	2.90	1.81	Wright-Hargreaves	1,195	2.15	2.25	2.20	2.20

Oil Stocks

Par Val.	Range 1942 High	Low	Company	Sales	Close June 27 (or last)	High for week	Low for week	Close July 6
No	.10	.03	Acme Gas & Oil.	......	(.04½ bid .08 asked)			
1	.07½	.05	Alta. Pac. Cons.	......	(.06 bid .07½ asked)			
1	.13	.09	Ajax	......	(.10½ bid .16 asked)			
No	.56	.32	Anglo Canadian.	3,100	.36	.43	.40	.43
No	.29	.09	Br. Dominion	7,450	.11	.11½	.09	.10
No	.07	.04	Brown Oil	......	(.04½ bid .05½ asked)			
No	1.20	.80	Calgary & Ed.	......	(.93 bid 1.00 asked)			
1	.18	.11	Calmont	......	(.14 bid .15 asked)			
No	.22	.15	Commoil	......	(.14 bid .18 asked)			
No	.30	.18	Common Pete.	......	(.17 bid .20 asked)			
No	.30	.12	Dalhousie	800	.16	.16	.16	.16
No	.17½	.12	Davies Pete	1,500	.12	.12	.12	.12
No	.04	.02	East Crest	500	.02½	.02½	.02½	.02½
No	.32	.32	Federated Pete.	......	(.32 June 15)			
No	.85	.55	Foothills	200	.70	.70	.70	.70
No	.01	.01	Grease Creek Pete	......	(.00½ bid .02 asked)			
No	†.08	.04	Hargal	......	(.... bid .10 asked)			
No	.20	.08	High Searcee	2,200	.08	.08½	.08	.08
No	2.70	2.05	Home	3,535	2.25	2.26	2.05	2.08
1	.07	.02	Homestead O. & G.	4,500	.02½	.02½	.02½	.02½
No	.04	.02½	McD. Segur	......	(.... bid .08 asked)			
1	.20	.13	Model	800	.18	.18	.18	.18
25c.	.04	.04	National Petroleum	......	(.... bid .05 asked)			
1	.05	.02½	Nordon	......	(.02½ bid .04 asked)			
No	.03	.01½	Oil Selections	......	(.02 bid .03 asked)			
No	.40	.22	Okalta	2,200	.27	.25	.24	.24
No	.04½	.02	Pacalta	8,150	.02½	.02½	.02½	.02½
1	*.27	.15	Pacific Petroleum	......	(.20 bid .... asked)			
No	.25	.25	Petrol Oil & Gas.	......	(.... bid .50 asked)			
No	19.75	16.50	Royalite	190	17.50	17.50	17.00	17.00
No	.05	.02½	South End	......	(.... bid .03½ asked)			
No	.17	.10	South West Pete.	......	(.10 bid .... asked)			
5	1.60	.70	Texas Can.	......	(.75 bid 1.00 asked)			
No	.04½	.03	United Oils	......	(.04 bid .05 asked)			
1	.13	.05½	Vermilata	5,100	.09	.11	.08½	.09
1	.22	.15	Vulcan	......	(.15 bid .20 asked)			

Vancouver Stocks

Par Val.	Range 1942 High	Low	Company	Sales	Close June 27 (or last)	High for week	Low for week	Close July 6
1	.05½	.03	Bayonne Cons.	......	(.... bid .03 asked)			
No	9.20	6.40	Bralorne	1,495	7.10	7.00	6.40	6.40
1	*.00½	.00½	Bridge River Cons.	......	(.... bid .... asked)			
1	1.74	1.00	Cariboo Gold	900	1.10	1.12	1.10	1.10
No	.01	.00½	Dentonia	......	(.... bid .... asked)			
No	.00½	.00½	Fairview Amal.	......	(.00½ bid .... asked)			
1	.20	.10	George Copper.	......	(.15 bid .... asked)			
1	.06½	.04	Goleonda	......	(.04 May 26)			
50c.	.18	.13	Gold Belt	......	(.... bid .14 asked)			
50c.	.18	.13	Grandview	......	(.11 bid .12 asked)			
1	.03½	.00½	Grull Wihksne	......	(.01½ bid .02½ asked)			
1	.35	.25	Hedley Mascot	800	.25	.25½	.25	.25½
No	.00½	.00½	Home Gold	......	(.00½ bid .... asked)			
1	.01½	.01½	Indian Mines	......	(.01½ bid .01½ asked)			
50c	1.06	.96	Island Mountain.	......	(.... bid 1.00 asked)			
1	.30	.28	Inter'tl Coal	......	(.30 bid .34½ asked)			
50c.	.25	.15	Kootenay Belle.	......	(.18 bid .... asked)			
1	.20½	.18	McGillivray Creek	......	(.17½ bid .23 asked)			
No	.01	.00½	Minto Mines	......	(.00½ bid .... asked)			
50c.	.02	.01½	Nicola	......	(.01½ bid .01½ asked)			
1	.10	.08	Pacific Nickel	......	(.... bid .08½ asked)			
1	1.75	1.10	Pend Oreille	......	(.95 bid 1.05 asked)			
1	2.15	1.24	Pioneer Gold	1,000	1.40	1.31	1.24	1.24
No	.01½	.00½	Premier Border	2,000	.01	.01	.01	.01
1	.60	.38	Premier Gold	300	.48	.50	.46	.46
No	.60	.26	Privateer Mines.	5,800	.30	.30	.29	.30
1	.02	.01	Quatsino Copper.	......	(.01½ bid .... asked)			
1	.50	.27	Reeves McDonald	......	(.20 bid .28 asked)			
1	.23	.02	Reno Gold	2,500	.03½	.03½	.03½	.03½
50c.	.00½	.00½	Salmon Gold	......	(.00½ May 18)			
50c.	.84	.66	Sheep Creek	1,200	.72	.68	.66	.66
1	.75	.50	Silbak Premier	......	(.61 bid .... asked)			
No	*.00½	.00½	Silvercrest	......	(.... bid .... asked)			
50c.	.10	.06	Surf Inlet	......	(.06 bid .07 asked)			
No	*.03	.02	Taylor Bridge	......	(.02 bid .04 asked)			
20c.	.02½	.01	Wellington	......	(.00½ bid .01 asked)			
1	.04½	.02	Whitewater	6,000	.02	.02	.02	.02
No	.04	.04	Ymir Yankee Girl	......	(.03½ bid .... asked)			

Oil Quotations

Par Val.	Range 1942 High	Low	Company	Sales	Close June 27 (or last)	High for week	Low for week	Close July 6
1	.07	.05	Alta. Pac. Cons.	......	(.06 bid .... asked)			
No	.55	.35	Anglo Canadian.	650	.35	.40	.38	.40
No	.03	.02½	Anaconda	......	(.02 bid .02½ asked)			
No	.25½	.19	Brit. Dominion.	......	(.25 April 2)			
No	.04	.04	Brown Oil	......	(.... bid .... asked)			
No	1.17	.80	Calgary & Ed.	......	(.91 bid 1.00 asked)			
1	.17	.10	Calmont	......	(.13 bid .... asked)			
No	.23	.15	Commoil	......	(.14 bid .... asked)			
No	.28	.18	Commonwealth.	500	.19	.18	.18	.18
No	.22	.14	Dalhousie	......	(.15 bid .... asked)			
No	.16½	.12	Davies Pete	......	(.... bid .... asked)			
No	.02½	.02½	East Crest	......	(.01½ bid .... asked)			
No.	*.36½	.21	Federated Pete.	......	(.... bid .... asked)			
No	.85	.60	Foothills	......	(.60 bid .... asked)			
No	.20	.10	High Sarcee	......	(.07 bid .... asked)			
No	2.67	2.00	Home Oil	600	2.25	2.25	2.00	2.00
No	.01½	.00½	Madison	......	(.01½ bid .01½ asked)			
No	.01½	.01	Marjon Oil	......	(.01½ bid .01½ asked)			
No	.04½	.02½	McD. Segur Ex.	1,000	.03½	.04	.04	.04
No	.05½	.03½	Mercury	1,000	.05	.05	.05	.05
No	.07	.05½	Mill City Pete.	......	(.06½ bid .... asked)			
1	.20	.12	Model	......	(.17 bid .18 asked)			
25c.	.04½	.04	National Pete.	......	(.04 bid .... asked)			
1	.03	.02	Nordon	......	(.04 bid .... asked)			
No	.40	.20	Okalta	......	(.25 bid .... asked)			
No	.04	.03	Pacalta Oil	......	(.02½ bid .... asked)			
1	.25	.14	Pacific Petroleums	......	(.19 bid .... asked)			
No	.05½	.03	Royal Canadian.	2,500	.03½	.03½	.03	.03½
No	†.10½	.06	Royal Crest	......	(.... bid .... asked)			
No	18.63	16.00	Royalite	......	(17.00 bid 17.50 asked)			
No	.05	.03	South End	......	(.... bid .... asked)			
No	.20	.15	Southwest Pete.	......	(.15 May 9)			
1	.05	.04	Spooner	1,700	.04	.05	.05	.05
25c.	.09½	.08	Sunset Oil	......	(.06 bid .... asked)			
No	.04½	.02	United	500	.04	.04	.04	.04
No	.05	.04	Vanalta	2,000	.05	.04½	.04½	.04½
1	.20	.12	Vulcan	......	(.15 June 3)			

*Quotations for 1941; †1940.

Winnipeg Stocks

(Transactions from June 29 to July 4)

	Sales	High for period	Low for period	Close July 4
Great-West Life	5	203.50	203.50	203.50
Sachigo River	35	4.75	4.75	4.75
United Grain Growers	12	10.50	10.50	10.50

Stocks Not Traded in During Week*

	Bid	Asked		Bid	Asked
Beav. Lumber, p	98½	100	Grouped Inc.	..	4⅛
Beav. Lumber, c	2⅛	4	Home Invest.	27½	..
Can. Indemnity	150	..	Nor. C. Mtg. un.	5½	..
Corr. Pap. Box c	2	..	Nor. Mtg. pt. pd.	.75	..
Cres. Cream., p.	10	15	Traders Bldg.	44	..
Dom. Envel., c.	..	8½	West. Brew.	2	2¾
Dom. Envel., p.	..	94	West. Grain, p.	..	7
Fed. Grain, c.	.35	1⅛	West. Steel	7	9

*Stocks more active on other exchanges not included.

Volume of Stock Sales

	Montreal Markets Indust.	Montreal Markets Mines	Toronto Markets Ind. & Mines	Vancouver Markets Ind. & Mines
July 7	7,500	4,700	84,000	......
July 6	7,100	5,300	91,000	5,650
July 4	1,900	1,700	53,000	6,625
July 3	4,300	11,700	135,000	3,720
July 2	4,600	8,800	62,000	10,910
June 30	4,700	3,700	207,000	[illegible]

Government Bonds

(Supplied by Investment Dealers' Assoc. of Canada)

[illegible]

Unlisted Stocks

(Furnished by A. J. Pattison Jr. & Co., Toronto)

July 7, 1942

[illegible]

Unlisted Mines

Toronto, July 7, 1942

[illegible]

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)

July 7, 1942

[illegible]

Supplementary Stock Quotations

(Furnished by Plaxton, Cherry & McDonnell, Toronto)

[illegible]

Corporation Bonds (Cont'd)

[illegible]

Municipal Bonds

July 7, 1942

[illegible]

Investment Trusts

[illegible]

Annual Meetings

1942 Company	Place
July 10—Alexander Building	Montreal
July 16—Montreal Property*	Montreal
July 17—Dom. & Anglo Inv.	Toronto
July 17—Yukon Consol. Gold	Toronto
July 18—Consolidated Press	Toronto
July 20—Can. Wallpaper Mfrs.	Toronto
July 24—Stand. Chemical	Toronto
Sept. 10—United Securities*	Montreal

*Bondholders.

Mining Dividends

	Rate	July 6	%
Anglo-Huronian	20c	2.00	..
Argus Interests	†4c	.20	..
Aunor Gold	16c	1.10	14.5
Bayonne	†1c	.03½	..
Beattie Gold	7c	.58	..
Berens River	6c	.65	..
Bralorne	80c+40c	6.40	*18.7
Broulan Porc.	12c	.45	..
Buffalo Ankerite	▲30c	1.50	..
Bulolo Gold	$3	8.00	..
Can. Malartic	8c	.35	..
Cariboo Gold	16c+1c	1.08	*15.7
Central Patricia	16c+2c	.92	*19.5
Chesterville	▲15c	.70	..
Cochenour Willans	6c	.65½	9.2
Coniagas	10c	.80	..
Coniaurum	‡7c	.65	..
Cons. Smelters	$1+$1.50	36.00	*6.9
Delnite	6c	.45	..
Dome Mines	$1.60	13.50	11.8
East Malartic	‡5c	1.30	..
Francoeur Gold	▲4c	.20	..
Goldale Mines	2c	.09¾	..
Gold Belt	2c	.14	..
Grandview	2c	.12	..
Grull Wihksne	†.00½c	.01½	..
Hallnor	40c	2.20	8.1
Hard Rock	3c	.36	..
Hedley Mascot	8c	.25½	..
Hollinger	65c	7.75	8.4
Howey Gold	2c	.16	..
Hudson Bay	$2	23.50	8.5
Inspiration	▲2c	.30	..
Inter. Nickel, com.	$2	30.00	6.7
Island Mountain	8c	1.00	..
Jason	▲4c	.15½	..
Kerr-Addison	‡17c	3.90	..
Kerr Lake	▲5c	.50	..
Kirkland Lake	8c	.44	..
Lamaque Gold	40c+15c	3.50	*15.7
Lake Shore	80c	8.05	9.9
Leitch	8c	.52	..
Little Long Lac	▲20c	.85	..
Macassa	32c+3c	2.07	*17
Madsen R. Lake	3c	.43	..
Malartic Gold	▲10c	1.51	..
McGillivray Coal	▲2c	.18¼	..
McKenzie Red L.	12c	.58	20.1
Moneta	8c	.25½	..
McIntyre-Porc.	$2.22+$1.11	39.50	*8.4
MacLeod-Cockshutt	10c	1.28	..
Negus	2½c	.36	..
Nipissing	15c	.85	..
Noranda	$4	43.00	9.3
North Empire	‡10c	3.75	..
O'Brien Gold	3c	.58	..
Pamour Porc.	▲12c	.45	..
Pato Cons.	‡25c	2.00	..
Paymaster Cons.	2c	.15	..
Pend Oreille	▲6c	1.00	..
Perron Gold	16c+1c	.90	*18.8
Pioneer, B. C.	32c	1.25	..
Pickle Crow	30c	1.65	18.1
Placer Develop.	25c	5.00	..
Premier	8c	.45	17.8
Preston E. Dome	20c	1.67	12
Privateer Mines	12c+1c	.30	..
Quebec Gold	▲2c	.20	..
Reno Gold	■20c	.03¾	..
San Antonio	14c+6c	1.60	*12.5
Sheep Creek	16c+4c	.65	*30.7
Sherritt Gordon	10c	.64	..
Sigma Mines	60c	4.80	..
Silbak Premier	16c	.50	..
Siscoe	‡3½c	.38	..
Sturgeon River	2c	.12	..
Sudbury Basin	2½c	1.30	..
Sullivan Cons.	‡6c	.52	..
Surf Inlet	▲2c	.10	..
Sylvanite Gold	20c	1.65	12.1
Teck-Hughes	40c	1.60	25
Toburn	12c+2c	.79½	*17.6
Upper Canada	‡5½	.80	..
Ventures	‡15c	4.00	..
Waite Amulet	40c	4.25	..
Wendigo	3c	.14	..
Wright Harg.	40c	2.20	18.1
Ymir Yankee	▲2c	.03	..

▲Paid in 1941. *Yield including bonus.
†Initial. ‡Paid in 1942 to date.

Dividends Declared

	This payment	Date payable	Date of record
Anglo-Can. Oil	■4c	Aug. 10	Aug. 1
Anglo-Can. Tele. p	68¾c	Aug. 1	July 15
Agnew Surpass	40+20c	Sept. 1	Aug. 15
Do., pref.	$1.75	Oct. 1	Sept. 15
Anglo-Huronian	10c	July 31	July 17
Ault & Wiborg, p	$1.37½	Aug. 1	July 15
Beatty Bros., 1st p.	$1.50	Aug. 1	July 15
B. C. El. Rly., pfd.	2½%	July 15	June 30
Bathurst Power, A	25c	Sept. 1	Aug. 7
Biltmore Hats	15c	July 15	June 30
Bralorne Mines	■20c	July 15	June 30
Do. extra	■10c	July 15	June 30
Broulan Porc.	3c	July 31	July 10
B. C. Power, A	50c	July 15	June 30
Bell Telephone	$2	July 15	June 23
Brant. Cordage, pf	32½c	July 15	June 20
Brazilian Tr., c.	40c	July 18	May 30
Barber Ellis, pref.	$1.75	July 15	June 30
Blue Ribbon, pfd.	62½c	Aug. 1	July 22
Calgary Power, p.	$1.50	Aug. 1	July 15
Canada Starch, pf.	■$3.50	Aug. 15	Aug. 8
Can. Tube & Stl. p.	$2	July 15	July 8
Can. South. Rly.	$1.50	Aug. 1	June 30
Can. Indust. A B	$1.50	July 31	June 30
Do., pref.	$1.75	July 15	June 30
Can. Converters	25c	July 31	June 27
Can. Pac. Rly., pfd.	2%	Aug. 1	June 30
Can. Nor. Pwr.	■15c	July 25	June 20
Do., pref.	■$1.75	July 15	June 20
Confederation Life	$1.50	Sept. 30	Sept. 25
Do.	$1.50	Dec. 31	Dec. 25
Comm. Alcohols	5c	July 15	June 30
Do., pref.	10c	July 15	June 30
Cons. Smelters	50c	July 15	June 17
Do., extra	75c	July 15	June 17
Can. Bk. of Comm.	$2	Aug. 1	June 30
Can. Fairbanks, pf.	$1.50	July 15	June 30
Can. Gen. Invest.	■12½	July 15	June 30
Can. Light & Pwr.	50c	July 15	June 30
Cochenour W.	3c	July 25	July 10
Corr. Pap. Box pf.	$1.75	Sept. 1	Aug. 15
Can. Bronze	37½c	Aug. 1	July 10
Do., pref.	$1.25	Aug. 1	July 10
Canadian Oil, c.	25c	Aug. 15	Aug. 1
Can. Wallpaper, A B*	$1	Aug 10	July 31
Can. For. Invest., pf.	■$2	Oct. 1	Aug. 15
Can. Investors	10c	Aug. 1	July 18
Dom. Scot. Inv., pfd.	50c	Sept. 1	Aug. 20
Dominion Stores	■10c	Aug. 20	Aug. 5
Dominion Tar, p.	$1.37½	Aug. 1	July 31
Dom. & Ang. Inv., c.	$4	July 15	June 30
Dom. Found., pf.	$1.50	Sept. 1	Aug. 20
Do., pref.	$1.75	July 15	June 16
Dome Mines	■40c	July 20	June 30
Distillers Seag., p.	†$1.25	Aug. 1	July 15
Dominion Bank	$2.50	Aug. 1	July 15
Dom. Oilcloth	30c	July 31	July 15
Do., extra	10c	July 31	July 15
Foundation Co.	35c	July 18	June 30
Grandview Mines	1c	Aug. 1	July 1
Gt. Lakes Power p.	$1.75	July 15	June 30
Guaranty Trust	$1.25	July 15	June 30
General Trust, pfd.	$1.25	July 15	June 30
Hollinger Cons.	5c	July 15	June 30
Honey Dew	50c	Oct. 1	Sept. 15
H. Smith Paper, p.	$1.50	July 15	June 30
Inter. Nickel, pfd.	†$1.75	Aug. 1	July 2
Invest. Found. pfd.	75c	July 15	June 30
Inter. Metal p & A p	$1.50	Aug. 1	July 15
Inter. Bronze	■37½c	July 15	July 5
Do., pref.	■37½c	July 15	July 5
Inter. Milling, p.	†$1.25	July 15	July 3
Imperial Bank	$2.50	Aug. 1	June 30
Inter. Util. pr. pf.	†87½c	Aug. 1	July 21
Leitch Gold	2c	Aug. 15	July 31
Little Long Lac	10c	July 15	July 3
Langley's, pfd.	■50c	Sept. 11	Sept. 2
Do.	■50c	Dec. 11	Dec. 2
Moneta Porc.	2c	July 15	June 30
Montreal Tele.	▲48c	July 15	June 30
Mtl. L. H. & Pr.	38c	July 31	June 30
McColl-Front., pfd.	$1.50	July 15	June 30
McIntyre Porc.	55½c	Sept. 1	Aug. 1
Nat. Biscuit, c.	†30c	July 15	June 12
Do., pref.	†$1.75	Aug. 31	Aug. 14
Nat. Grocers, c.	■40c	July 20	July 6
Nat. Steel Car	50c	July 15	June 30
Nor. Ont. Pwr.	12c	July 25	June 30
Do., pref.	$1.50	July 25	June 30
Pacific Coyle	3c	July 15	July 10
Paymaster Cons.	■1c	Aug. 15	July 22
Do.	■1c	Jan. 15 '43	Dec. 31
Penmans	75c	Aug. 15	Aug. 5
Do., pref.	$1.50	Aug. 1	July 21
Power Corp., 1st p.	■$1.50	July 15	June 20
Do., 2nd pref.	■75c	July 15	June 20
Preston E. Dome	5	July 15	June 30
People's Cr. Sec.	*25c	July 15	June 30
Prov. Transport	20c	Aug. 15	Aug. 5
Quebec Power	25c	Aug. 25	July 22
Regent Knit., c.	25c	Sept. 15	Aug. 31
Regent Knitting pfd	‡40c	Sept. 1	Aug. 15
Rolland Paper	15c	Aug. 15	Aug. 5
Do., pref.	$1.50	Sept. 1	Aug. 15
Shawinigan W. Pr.	23c	Aug. 25	July 24
Sigma Mines	■30c	July 25	June 30
Silbak Premier	4c	July 25	July 6
Sheep Creek	4+1c	July 15	June 30
Simpsons, pref.	$1.62½	Aug. 1	July 18
Saguenay Pr., p.	$1.37½	Aug. 1	July 15
South. Can. Pr., p.	$1.50	July 15	June 20
Do., com.	20c	Aug. 15	July 20
Sher.-Williams, ord.	15c	Aug. 1	July 15
Sullivan Cons.	3c	July 15	June 15
Stand. Chem.	75c	July 30	June 30
Steel of Can.	75c	Aug. 1	July 7
Do., pref.	75c	Aug. 1	July 7
St. Law. Corp., pf.	25c	July 15	June 30
St. Law. Flour	35c	Aug. 1	July 20
Do., pref.	$1.75	Aug. 1	July 20
St. Law. Paper, pfd.	75c	July 15	June 30
Steel of Can.	75c	Aug. 1	July 7
Do., pref.	75c	Aug. 1	July 7
Toburn Gold	3c	Aug. 22	July 22
Tuckett Tob., p.	$1.75	July 15	June 30
United Corp., A	38c	Aug. 15	July 15
Weston, Geo., pfd.	$1.25	Aug. 1	July 15
West. Grocers	75c	July 15	June 20
Do., pref.	$1.75	July 15	June 20
Wood, A & J, pfd.	$1.75	Aug. 1	July 15
Zellers	30c	Aug. 1	July 15
Do., pref.	37½c	Aug. 1	July 15

†Payable in U. S. funds.
■Subject to approval of Foreign Exchange Control Board.
‡Also 40c payable Dec. 1.
*Initial.
*Subject to approval of shareholders at meeting July 20, 1942.
▲Net payment after deducting corporate income tax.

Appraising the Wheat Agreement

Satisfactory as Expedient, Dangerous Complications Seen if Plan Permanent

From Our Own Correspondent

WINNIPEG.—The international wheat agreement concluded at Washington between Canada, Great Britain, Australia, the United States and Argentina is planned to come into effect, so far as price and volume control is concerned, after the war is over. It is to continue for four years unless as contemplated it is superseded by a more comprehensive agreement between countries with a substantial interest in international wheat trade. Consequently it is not a valid criticism to say that such an agreement would not have been workable in the type of world which existed prior to the war and that it is inconsistent with any hopes widely entertained for a postwar world. It might nevertheless prove to be useful in a period of transition.

Free Wheat for Europe

There can be nothing but commendation, of course, for the provisions of the agreement under which relief wheat is to be furnished free for the restoration of devastated countries. Such a plan is not to be considered part of a plan for getting rid of surplus stocks or of one for exercising price control. It will be much more effective on the minds of the people of Europe if it is made known to them not as part of the wheat agreement but as part of a much more comprehensive plan of rehabilitation involving many more commodities than wheat which presumably will be got under way and proclaimed at not too late a date.

There may be political or psychological value in the assurance which the belligerent countries give to Argentina of their intentions to have that country participate to the extent of sharing to a stipulated extent in the international trade which will only be made possible by the success of the efforts of the countries fighting the Axis powers. There may be a further psychological effect in the demonstration by Canada that this country has no idea of profiting in the future by the fact that after the war she has no intention of seeking a commercial advantage out of the fact that during the war it became the sole source of imported wheat supplies for Great Britain. It would be well both for Canada and for other countries to realize the implications of the position thus taken.

Price Control Dangers!

Arrangements embodied in the agreement for price negotiations between governments of participating countries would be unsound if they came to be regarded as part of the basis of a post war world. It cannot be supposed that the international trade of the future is going to be carried on in such a way that such a principle is going to be extended in area or in time or that it could be long operated without dangerous friction.

If that is so on political grounds equally unsound on purely economic grounds would be the provisions for rigid quotas in international trade. Even those who believe that price competition can be satisfactorily eliminated may hesitate at the implication of removing quality competition. The incentive to retain the quality of Canadian wheat would be lost as well as the incentive to promote sales by provisions making it impossible either for this country to benefit or purchasers to be gratified by the fact that Canadian wheat surpasses other wheats in quality. Because the agreement is temporary and to tide over time of emergency to point out such facts is not so much to criticize the agreement as to warn against thinking that some of its principles could be permanent.

Counter to Atlantic Charter

Because it appears to run counter to the principles of a freer international trade as enunciated by President Roosevelt and Prime Minister Churchill in the Atlantic charter, the agreement if it were not for its temporary nature might prove to be an impediment in the way of implementing the pledges of that document. The farmers, however, escape criticism on that score not only because the agreement is temporary but also because it recognizes its own limitations.

The first article lays it down that an essential element of a solution of the world problem is that consumers should have the opportunity and means of increasing their purchases of wheat areas which are equipped to produce it economically. The contracting parties agree that such opportunity and means depend not only on the lowering of barriers to the importation of wheat but also on making available to wheat importing countries increased outlets for the exportation of goods which they in turn are equipped to produce economically. It is in the development of such principles rather than in the development of production control and inter governmental price negotiations that the hope can be expressed for useful results from the agreement.

The agreement assures the United States of a small but fixed percentage of international wheat trade, a percentage which the authorities in that country seem to regard as necessary to the working of their national wheat policies. Presumably such wheat will be sold on a price base comparable to that applying to other wheat and consequently likely to be lower than the price paid to producers or charged to domestic consumers so long as price maintenance policies are maintained in the United States. Under the agreement the United States would presumably be freed from the charge of dumping in this connection and it may be that the agreement will limit the harmful effect on the international price structure of forcing exports by such means.

Bumper Crop Possible If Conditions Hold

From Our Own Correspondent

WINNIPEG.—Crop conditions in western Canada have rarely seemed so satisfactory in early July as they are this year. The west is well supplied with moisture. A better than average yield seems probable, and a really big yield is possible.

The western crop, of course, is traditionally at its best at the end of June. The things that cut it down, drought, hot winds, or insect damage, usually occur in July, and sometimes, with a late crop, frost damage in August.

Outlook May Change

If the western crop were to realize its present potentialities, which, on the basis of past experience is quite unlikely, it might rank in total yield with the largest ever produced in the country.

Present potentialities are likely to be reduced by various factors, the importance of which can only be guessed at. Weeds are reported bad in some areas, while in others they are fairly well hidden as yet by growing grain. Saw fly is known to be present over large areas in southwest Saskatchewan and southern Alberta. Whether the damp weather of June has impaired or maintained the vitality of this pest is as yet unknown. Grasshoppers are present in a number of districts, fairly well held in check up to the present by damp and cool weather, but ready to develop rapidly when conditions become favorable for them.

A good deal of the crop is decidedly late for this time of year. Ripening of much of it will have to extend late into August. If sufficient sun and heat are not available as the days begin to shorten and the sun's rays become more oblique, ripening may be delayed long enough to bring the crop within reach of early frosts.

Then there is rust. No one is worried much about rust because varieties of wheat now seeded are believed to be rust-resistant, and have proved themselves so during recent years. But since they have been introduced rust resistant varieties have faced no such test as they may have to meet this year.

A thick standing crop, and one late enough to provide the maximum period of exposure, it would be giving plenty of worry if Marquis, instead of Thatcher, were still the principal variety of wheat seeded in areas where rust used to do most damage. There has been, it is true, comparatively little record of rust in the United States, whence rust used to arrive annually in Canada, being unable to winter over in the north. But there is usually enough of it somewhere to start developing in any period of hot moist weather.

Extreme heat if it occurs, can tax the vitality of the strongest crop, especially if accompanied by drying winds.

For such reasons it is not wise to be too definite as to crop expectations. If conditions seem as favorable two weeks hence as they do now, hopes will be high. Even then, however, it will be well to remember that only a small part of the crop is likely to be made at the end of July, and that August weather will be much more important than usual.

Company Reports

Dominion-Scottish

Dominion - Scottish Investments Ltd., management-type of investment trust, reports gross income for the year ended May 31, 1942, moderately lower than in the previous year, due to reduction in receipts of dividend arrears. Lower tax provision resulted in net profits being equivalent to $2.57 a share on the preference stock against $2.52 for the preceding period. Arrears of dividends on the preference were $5.75 a share at May 31, down 12½ cents from a year earlier.

Net assets per share of preference have been well maintained at $32 as compared with $35.23 a year earlier. Investments held at May 31 last had a book value of $3.6 millions and a market value of $2.6 millions. Corresponding figures for a year earlier were $3.7 millions and $2.8 millions respectively.

Income and Surplus Account Years Ended May 31

	1942 $	1941 $
Investment income	194,117	200,517
Less: Rent, sal's, etc.	9,612	10,147
Executive salary	2,500	2,500
Directors' fees	3,000	3,000
Int., exchange, etc.	1,155	*368
Trustees', audit, registrar's fees	2,407	2,441
Net earnings	175,443	182,061
Less: Bond interest	40,000	40,000
Income tax	9,062	18,156
Net profit	126,381	123,905
Less: Pref. divds.	122,840	125,297
Surplus for year	3,541	*1,392
Add: Previous surplus	52,182	55,122
Less: Tax adjustment	......	1,548
Surplus forward	55,723	52,182
*Deficit.		
Earned per share:		
Preference	$2.57	$2.52
Paid	2.50	2.55
Common	0.04	0.01
No dividends paid.		
Net assets per share:		
Preference, $50 par	$32.00	$35.23

Standard Chemical

Standard Chemical Co., Toronto, reports a gain of $915,088 in sales volume in the year ended March 31, 1942, as compared with the preceding year, bringing total sales to $3.5 millions. Net profit is also substantially higher, being equivalent to $3.27 a share on the common against $1.47. Dividends declared or paid for last year totalled $1.25, same as in the previous year, with the final payment of 75 cents a share to be made July 30, 1942, to shareholders on record June 30.

Consol. Income and Surplus Account Years Ended March 31

	1942 $	1941 $
Operating profit	377,191	272,720
Add: Other inc. (net)	2,284	226
Total earnings	379,475	272,946
Less: Exec. remun.	32,399	31,799
Directors' fees	1,000	1,000
Legal fees	259	349
Depreciation	35,000	35,000
Income & E. P. taxes	117,000	61,750
Conting. prov.	29,363	25,000
Equip. & assets w/o	41,580	63,127
Net profit	122,874	54,911
Less: Dividends	46,596	46,596
Surplus for year	76,278	8,325
Add: Prev. surplus	118,293	109,968
Earned surplus forwd.	194,570	118,293
Earned per share:		
Common	$3.27	$1.47
Paid	1.25	1.25
Working capital	1,101,226	998,119
Balance Sheet Changes	$	$
Cash	249,474	78,123
Investments	224,427	......
Inventories	737,839	890,259

Consolidated Press

Consolidated Press Ltd., Toronto, reports net profits for the year ended March 31, 1942, equivalent to $1.13 a share on its class A stock against 73 cents a share for the preceding year.

Taxes paid equalled 80 cents a share. Rising wartime costs of materials and expenses incidental to the printing and publishing business also held down profits.

M. R. Sutton, president, reports that since the end of March advertising income has declined, sharply reversing the upward trend of earnings. Higher taxes proposed by the Dominion will have an unpredictable effect on the business.

Regarding dividends it is stated that surplus accounts must be regarded as a reserve to cope with wartime business problems and that no dividend action will be taken at present.

Funded debt was rearranged in March, 1941. The result was a reduction in bond interest ranging from $7,000 now to $8,500 annually later on. Funded debt at March 31 last was $80,000 of 4% serial bonds and $267,500 of 4½% bonds, due 1956.

Working capital shows some strengthening with bank liabilities reduced about $33,000 to $97,583. Investments have a market value of $266,584 compared with $235,568 a year ago.

Consol. Income and Surplus Account Years Ended Mar. 31

	1942 $	1941 $
Operating profit	183,942	153,040
Add: Other income	12,748	14,052
Profit on assets	1,089	*254
Total earnings	197,779	166,802
Less: Exec. remun.	31,159	31,159
Directors' fees	60	......
Legal fees	287	178
Depreciation	50,542	45,927
Interest	17,639	24,952
Income & E. P. taxes	40,000	27,500
U. S. tax	1,348	611
Net profit	56,744	36,513
Add: Previous surplus	104,736	106,898
Profit on debs. red.	35	......
Less: Prem. on debs. red.	......	11,897
Bond disc. & exp. w/o	......	28,778
Earned surplus fwd.	161,515	104,736
*Loss.		
Earned per share:		
Class A	$1.13	$0.73
No dividends paid.		
Working capital	291,880	262,204

Railway Exchange Bldg.

Railway Exchange Building Co., Montreal, reports that in the year ended April 30, 1942, expenses rose more rapidly than income, with the result net available for interest and depreciation was less than the year before. After providing for all charges there was an operating loss during the year of $1,442, as against $164 in 1941.

Balance sheet shows working capital at $7,717 comparing with $3,237 at the end of April, 1941.

Profit and Loss Account Years Ended April 30

	1942 $	1941 $
Gross income	61,289	60,921
Less: Oper. expenses	30,834	29,082
Taxes	13,876	13,782
Net income	16,579	18,057
Less: Interest	12,401	12,609
Depreciation	5,619	5,612
Add: Prof. on furniture	3	......
Net loss for year	1,439	164

Public Utility Earnings

Jamaica Public Service May

	1942 $	1941 $
Oper. revenues	120,305	95,579
Gross inc. after reserve	34,606	27,449
Net income	25,629	19,808
12 Months Ended May		
Oper. revenues	1,330,693	1,144,759
Gross inc. after reserve	362,214	328,219
Net income	259,265	228,491

Subject to adjustment and audit. The above figures have been converted from £ sterling at the rate of $4.82⅔ to the £.

Note:—The above figures since Jan. 1, 1941, have been adjusted for comparative purposes to include the corrected pro rata portion of income and excess profits taxes resulting from the enactment of the Jamaica Excess Profits Tax Law in July, 1941, and the amendement thereto in 1942, retroactive to Jan. 1, 1941.

Brazilian Traction May

	1942 $	1941 $	Incr. %
Gross earns.	3,945,891	3,554,803	11
Oper. exps.	1,852,768	1,644,727	13
Net earns.	2,093,123	1,910,076	9
Five Months Ended May			
Gross earns.	18,699,452	16,794,803	11
Net earns.	9,867,270	8,927,075	15

East Kootenay Power May

	1942 $	1941 $
Gross earnings	60,556	52,859
Oper. expenses	22,334	16,830
Net earnings	38,222	36,093
Five Months Ended May	$	$
Gross earnings	126,095	102,494
Oper. expenses	48,553	33,379
Net earnings	77,542	69,115

Note:—Operating expenses do not include income taxes.

Public Utility Earnings Canada Northern Power May

	1942	1941
Gross income	$378,946	$418,172
Oper. expenses	150,361	187,151
Net earnings	228,585	231,021
5 Months Ended May		
Gross income	$1,924,335	$2,084,335
Oper. expenses	749,923	933,534
Net earnings	1,174,367	1,150,801

Note—Expenses do not include income and excess profits tax.

Canners' Subsidy Payments Set

Clarification of the amount of subsidies to be paid canners by the Commodity Prices Stabilization Corp. came this week after a period of uncertainty which began last February when maximum price schedules were announced. It was recognized in the trade at that time that if the prices announced had to be paid then subsidies would have to be forthcoming.

An instance of how the operation works is provided by tomatoes. The canners' maximum price for a dozen 28-oz. cans of choice quality tomatoes is $1.03 in Ontario to which the Commodity Prices Stabilization Corp. will add a subsidy of 12 cents, bringing total maximum to $1.15, the price announced last February.

List of subsidies to be paid to canners on their sales of 1942 pack in cents per dozen follows:

	28 oz.	105 oz.
Tomatoes	12	42
Tomato juice	4	12
	16 oz. & 20 oz.	105 oz.
Peas	8	36
Corn	8	36
Peaches	12	50
Bartlett pears	20	1.00
Kieffer pears	10	nil
Plums	10	nil

Commodities

	Latest week	Previous week	Same week last yr.
Cattle	$11.70	$12.90	$8.65
Hogs	15.68	15.60	14.25
Copper, lb.	*.12	.12	.12
Cotton, lb.	.2071	.1981	.1540
Sugar, raw, lb.	*.0374	.0374	.0345
Wheat, Man. (bu.)	.80½	.80⅜	.74⅜
Coffee, lb.	*.09⅜	.09⅜	.08¼
Hides	*.15½	.15½	.15
Weekly Indices			
U. S. Labor	98.4	98.1	87.7
Wood, Gundy	77.0	76.7	73.2
Dow Jones (fut.)	85.81	84.68	72.36
Fishers	106.6	106.5	95.1
Monthly Indices			
Canada (D.B.S.):			
Retail (June)†	116.7	116.1	110.5
W'sale (May)	95.2	95.0	88.8
U. S. (Apr.)	98.8	97.6	83.2
Gt. Brit. (Mar.)	158.8	158.5	150.9

Note:—The base of indices is that 1926 equals 100. †Base 1935-39 equals 100. The British index is Board of Trade converted to 1930 base.

Base of price quotations is as follows: Cattle — Steers, good, over 1,050 lb., top price, Toronto. Copper-electrolytic. New York, No. 7 coffee, Rio. Sugar—96 degrees centrifugal, c/f New York. Wheat—No. 1 Man. North., Ft. W.-Pt. A. basis.

*Ceiling prices fixed by the office of Price Administration.

May Take Over Old Equipment

Farmers and Miners Exempted From Order Allowing Requisitioning

Used industrial and construction equipment except that owned by farmers or miners is now subject to requisition by H. H. Bloom, Administrator of Farm & Road Machinery and Municipal Services, under the Wartime Prices & Trade Board.

The new order provides for the immediate registry of such equipment. If it is idle and the owner has no definite commitment for its use he is to report the fact to the Administrator. At the direction of the Administrator the owners of such equipment shall either sell or hire it to any person requiring its use; provided that such use shall, in the Administrator's opinion, be for essential work. The order sets out the terms of maximum rental.

A total of 67 different types of equipment is listed in the order including crawler tractors, angledozers, bulldozers, winches, derricks, dredges, graders, snow plows, crushers, drag lines, cranes, concrete mixers, road surfacers and many others.

Hillcrest Collieries Ltd. 7% preferred and common shares have been taken from the unlisted department of the Montreal Curb Market and replaced with 149,457 no par value common shares issued under the terms of the reorganization plan.

Mexican Labor, Politics Improve

"The political situation in Mexico is calm and labor conditions are somewhat improved," stated Henri Speciael, chairman to the annual meeting of Mexican Light and Power Co. Ltd.

Mr. Speciael described as "encouraging" the closer co-operation between Mexico and the United States, and noted that the value of the peso in terms of Canadian currency continues the higher trend shown in 1941.

A new contract has been signed to supply power for public light and pumping services in Mexico City, and the Federal District Department has now made substantial payments for light and power supplied in 1941, although still considerably in arrears.

A payment of 6¼% is being made July 1 on the 5% second mortgage 50-year bonds and debenture stock of the company, being the first since Dec. 1, 1938, and leaving unpaid interest of 8¾% as of Dec. 1, 1941, still to be satisfied when earnings will permit.

There are no surplus earnings available for the payment at this time of any interest on the 6% cumulative income debenture stock of the company.

Following are the directors elected by shareholders of the Mexican Light & Power Co.:

Henri Spéciael, G. R. G. Conway, H. M. Hubbard, Paul Van Zeeland, J. D. Duncan, D. N. Heineman, A. P. Holt, C. D. Magee, Francisco de A. Cambo y Batlle, W. Menschaert, W. D. Dawes, G. Maryssael, R. H. Merry, G. Auchincloss, S. C. Crowell, K.C.

Directors elected by shareholders of Mexico Tramways were:

M. Rongé, J. Bernier, C. D. Magee, L. M. Speirs, C. K. Wilmers, R. H. Merry, J. B. Alley, R. C. McMurtry.

Brewers Reduce Truck Mileages

Big reductions in truck mileage have been made by Ontario breweries under a voluntary economy plan put into effect in April to save tires and gasoline, according to a report made to James Stewart, services administrator of the Wartime Prices and Trade Board, by the provincial advisory committee of the brewing industry.

Brewers' Warehousing Co., co-operative distribution system of the breweries, reduced mileage on retail deliveries in April and May 27% compared with mileage in the same months last year. In a typical case of distribution from plant to outlets, the mileage of a brewery transport fleet was down 55.34%.

"Voluntary co-operation in pooling and consolidating distribution is industry-wide, covering all 26 brewers doing business in Ontario," the advisory committee reported, "and compared with what has been done in other industries, far-reaching. The plan will produce progressively increasing economies as it continues. A variety of methods has been used to produce the results, beginning with a thorough check of all the industry's distribution systems. Shipments formerly moved by transport trucks, for instance, have been transferred to rail wherever possible though this involves increased handling and loading problems.

"On retail deliveries through the central system, many householders who formerly carried their purchases from warehouses and government stores are no longer doing so but are using the industry's delivery services in order to cut their own passenger car mileage. Despite the increased retail delivery volume which has resulted, partly by reducing deliveries to one per day and by other economies, the industry has been able to absorb all this and still cut mileage by 27%."

Hinde & Dauch Paper Co.'s mill divisions continue to operate at capacity and establish new tonnage peaks in the second quarter of 1942, states L. F. Winchell, vice-president and general manager. Box factory operations were not at full capacity as the company was unable to supply sufficient raw materials. There has been some easing in demand due to civilian production restrictions and a temporary lessening in direct war requirements. The waste paper situation has eased off considerably particularly as regards news and mixed grades, due to the response to salvage campaigns. Other supply purchases have tightened. Effect of taking over complete control of buying and selling of waste paper stocks by Wartime Salvage, Ltd., a government agency, remains to be disclosed, he states.

Wheat Prices

Winnipeg Grain Futures

Week to July 6, 1942

Crop year from Aug. 1, 1941 High	Low		High for week	Low for week	Close July 6
		Wheat			
.82⅛	.77½	July	.80½	.80⅜	.80⅜
.90	.90	Oct.	.90	.90	.90
		Oats			
.51¾	.42½	July	.51½	.51⅛	.51⅛
.50⅛	.46	Oct.	.49⅜	.48⅞	.49
.48	.47	Dec.	.47½	.47	.47
		Barley			
.64¾	.55⅛	July	.64¾	.64⅜	.64⅜
.63⅝	.57	Oct.	.63⅝	.62⅝	.62¾
		Rye			
.66½	.54⅛	July	.55⅛	.54½	.54¾
.66⅞	.56⅛	Oct.	.57⅞	.56⅜	.56⅝

Cash Quotations

For Week

	July 6 High	July 6 Low	Prev. Week High	Prev. Week Low
Wheat:				
1 Hard	.80½	.80⅜	.80⅜	.80⅛
1 Nor.	.80½	.80⅜	.80⅜	.80⅛
2 Nor.	.77½	.77¼	.77¼	.77⅛
3 Nor.	.73⅝	.73⅜	.73⅜	.73⅛
4 Nor.	.71⅝	.71⅛	.71⅛	.71⅛
5 Wheat	.70	.69⅞	.69⅞	.69⅞
6 Wheat	.68	.67⅞	.67⅞	.67⅞
Feed	.65½	.65⅜	.65⅜	.65⅜
Oats:				
2 C. W.	.51½	.51½	.51½	.51½
3 C. W.	.51⅛	.51⅛	.51½	.51⅛
Barley:				
1 Feed	.64¾	.64⅜	.64⅜	.64⅜
2 Feed	.64⅛	.64¼	.64¼	.64¼
Rye:				
2 C. W.	[illegible]	[illegible]	[illegible]	[illegible]

RELIANCE
GRAIN COMPANY LIMITED
Owners and Operators Country Elevators and Terminals
Exporters and Shippers
SMITH, MURPHY CO. INC.
510 PRODUCE EXCHANGE, NEW YORK
Head Office: 919 Grain Exchange, Winnipeg
Branch Offices: Toronto and Vancouver

THE ALBERTA PACIFIC GRAIN COMPANY
LIMITED
(Licensed and Bonded with the Board of Grain Commissioners)
OPERATING
464 Country Elevators
73 Flour Warehouses
227 Coal Sheds
Terminal Elevators at Vancouver and Port Arthur
(Capacity—9,661,500 Bushels)
Offices: Calgary and Winnipeg
(36)

NORRIS GRAIN COMPANY
LIMITED
C. C. FIELDS, Pres. GEO. S. MATHIESON, Vice-pres.
C. E. BABBITT, Sec'y.
Grain Merchants, Shippers and Exporters
709 Grain Exchange, Winnipeg
NEW YORK CHICAGO KANSAS CITY TOLEDO
ST. LOUIS BALTIMORE LONDON LIVERPOOL

Since 1857
James Richardson & Sons
LIMITED
Grain Merchants
Shippers and Exporters
HEAD OFFICE
WINNIPEG
Branches Throughout Canada

DIVIDEND NOTICES

Anglo-Huronian Limited

DIVIDEND NO. 10

NOTICE IS HEREBY GIVEN that a dividend of Ten cents (10c) per share, in Canadian Funds, on the issued capital stock of the Company, has been declared payable July 31st, 1942, to shareholders of record at the close of business July 17th, 1942.

J. INGRAM,
Secretary-Treasurer.

Toronto, July 7th, 1942.

Anglo-Canadian Oil Company

LIMITED

NOTICE OF DIVIDEND No. 3

NOTICE is hereby given that a dividend of four cents per share will be paid by the Anglo-Canadian Oil Company Limited on or after the 10th day of August, 1942, to shareholders of record as of the 1st day of August, 1942. Payment is subject to the approval of the Foreign Exchange Control Board.

By Order of the Board of Directors.

Dated at Calgary, Alberta, this 2nd day of July, 1942.

W. L. PEAKER,
Secretary.

REGISTRAR
The Trusts and Guarantee Co., Ltd.,
Calgary, Alberta.

Anglo-Canadian Telephone Company

PREFERRED DIVIDEND NOTICE

NOTICE is hereby given that a dividend of One and Three-Eighths per cent (1⅜%) has been declared on the 5½% Cumulative Preferred Stock of the Company for the quarter ending July 31, 1942, payable August 1, 1942, to Stockholders of record at the close of business on July 15, 1942.

By Order of the Board,
CAMERON HOUGH,
Secretary.

Montreal, July 7, 1942.

Leitch Gold Mines Limited

(No Personal Liability)

DIVIDEND NO. 16

Notice is hereby given that a quarterly dividend of two cents per share has been declared by the Directors of this Company, payable in Canadian funds, on August 16th, 1942, to shareholders of record at close of business July 31st, 1942.

By Order of the Board.
W. W. McBRIEN,
Secretary-Treasurer.

July 2nd, 1942.

The Sherwin - Williams Company of Canada, Limited

Notice is hereby given that a dividend of Fifteen Cents (15c) per share has been declared on the no par value Ordinary Stock of the Company, payable to Shareholders of record the fifteenth day of July, 1942, and that cheques will be mailed on August 1, 1942.

Books not closed.

By Order of the Board.
P. W. HOLLINGWORTH,
Secretary-Treasurer.

Montreal, Que.
June 4, 1942.

DIVIDEND NOTICES

The Canadian Bank of Commerce

Dividend No. 222

Notice is hereby given that a dividend of two per cent in Canadian funds on the paid-up capital stock of this Bank has been declared for the quarter ending 31st July, 1942, and that the same will be payable at the Bank and its Branches on and after Saturday, 1st August next, to shareholders of record at the close of business on the 30th June, 1942. The Transfer Books will not be closed.

By Order of the Board,
A. E. ARSCOTT,
General Manager.

Toronto, 19th June, 1942.

The Dominion Bank

Dividend No. 239

Notice is hereby given that a dividend of two and one-half per cent upon the paid up capital stock of this Institution has been declared for the quarter ending 31st July, 1942. The dividend will be payable at the Head Office of the Bank and its Branches on and after Saturday, the first day of August, 1942, to shareholders of record of the 15th July, 1942.

By Order of the Board.
ROBERT RAE,
General Manager.

Toronto, 11th June, 1942.

McIntyre Porcupine Mines

LIMITED

(No Personal Liability)

DIVIDEND NO. 98

Notice is hereby given that a dividend of fifty-five and one-half cents (55½c) per share in Canadian currency will be paid on September 1, 1942, to shareholders of record at the close of business August 1, 1942.

By Order of the Board.
BALMER NEILLY,
Treasurer.

Dated at Toronto, June 30, 1942.

Honey Dew Limited

Dividend Notice

Notice is hereby given that a dividend of fifty cents (50 cents) per share, on the outstanding capital stock of the Company, has been declared payable on the first day of October, 1942, to shareholders of record at the close of business September 15, 1942.

By Order of the Board,
R. G. McMULLEN,
Secretary.

Toronto, Ontario.
June 29, 1942.

Blue Ribbon Corporation Limited

NOTICE is hereby given that a dividend of sixty-two and a half cents (62½c) per share on the Preferred Shares of the Company has been declared payable on and after the first day of August, 1942, to holders of record at the close of business on the 22nd day of July, 1942.

DATED AT TORONTO this 3rd day of July, 1942.

J. R. WRIGHT,
Secretary-Treasurer.

Opening of New Gold Mines to be Suspended Under Mining Industry Freezing Order

Opening new mines, extension of producing mines and continued operation of mines not marketing output commercially at June 30 are three things prohibited without a special permit from Metals Controller, Munitions Minister C. D. Howe announced this week.

The new order, issued by Mr. Bateman, carries the approval of R. C. Berkinshaw, chairman of the Wartime Industries Control Board, and undoubtedly represents the most drastic order affecting the mining industry so far issued.

Base Metal Plans Unaffected

At the time of issuance it was made clear by Mr. Howe that "the new regulations will not interfere in any way with plans for increasing, wherever possible, the output of copper, zinc, lead and other metals and minerals needed in the war programme."

As reported in The Financial Post last week, gold mines will not be allowed to treat a monthly tonnage in excess of the average treated in the first four months of this year. The new order would seem to apply to other metal mines as well as gold mines in this regard but in view of the statement on the need for greater supplies of war metals, it is believed that the order was made to apply to all metal mines so effective control over all mining operations would be complete.

The new order was taken so that "essential mines must be provided with adequate manpower," Mr. Howe stated. Conservation of mine machinery and mine supplies was another objective.

Where Development Stands

The new order calls for only a normal amount of development for the tonnage of ore permitted to be removed from the mine. Any shaft sinking, drifting, cross-cutting, raising or winzing beyond normal is prohibited. This appears to mean that no development programmes with the object of expanding ore reserves extensively will be permitted in future. Where such development has been carried on, it is possible that men may be released for work in other operations considered more essential to the war effort.

All developing gold mines close unless it is possible to demonstrate a high content of some strategic metal such as tungsten exists in ores. Developing base metal and strategic mineral operations are not expected to be affected unless the Metals Controller should decide that a specific property failed to show as good possibilities as some alternative property.

"It should be made clear," Mr. Howe stated, "that permission will not be granted to open up mines which have small chance of producing within a reasonable time."

With the present order, it appears that the individual producing mine will find it necessary to keep in close touch with Ottawa whenever a radical change in its affairs appears probable.

Already one large Canadian mining company has been affected by the new order. The company concerned has been refused permission by the Metals Controller to carry out a programme of diamond drilling on a promising gold prospect.

Effective date of the new order is June 22. The order applies to all metals and minerals, concentrates and ores excepting coal and other solid fuels, oil, steel and iron.

Interest in opening up new mining properties has now been effectively channelled into the war metal and strategic mineral fields.

Prospecting for these metals gets a special exemption under the personal income tax; looking for gold mines does not. New base metal and strategic mineral producers get a three-year exemption from the excess profits tax; the three-year exemption of new gold producers has been allowed to expire (the new order makes it impossible for new gold mines to reach production anyway). To divert interest in the base and strategic metals, the U. S. capital assistance programme will do its part while there may be bonus metal prices

Mining INVESTMENTS

The labor "squeeze" seems to be on as far as gold mining is concerned. When the Unemployment Insurance Commission last week announced an order excluding B.C. gold mines from further access to the labor market until requirements of base-metal mines there were satisfied, gravity of the present situation for gold mines became obvious.

B. C. gold operators are reported preparing to submit a memorandum to the Metals Controller and other Ottawa authorities presenting their viewpoints in the hope that the present restrictions may be relaxed before long, but there does not seem much hope for relief.

The point the gold miners make is that it has not been the gold mining industry that has caused the existing shortage of labor at base metal mines. Actually British Columbia gold mines have released some 1,400 men the past year and while the base metal mines have lost 500 men also, the lost base metal miners have not gone to the gold mines, but chiefly to the shipbuilding industry.

• • •

Higher pay for workers in base metal mines would help correct the present situation, the gold mining operators say, as this would prevent men from leaving the base metal mining industry for other more highly paid jobs. Depriving the gold mines of labor will not necessarily help the base metal mines, it is suggested.

There is no getting around the fact, however, that, labor supplies generally, not only in British Columbia, are below requirements of the gold mines. It is quite possible that an extended transfer of labor from gold to base metal mines may be necessary for opening up further marginal and sub-marginal mines. Canada is now "scraping the bottom" as far as mining labor is concerned, many quarters think.

• • •

Copper is understood to be one of the metals of which greater production must be secured in Canada if the United Nations' war effort is not to be crippled.

A source in close touch with the situation says that we are eating into our reserves now and increased production is just about an absolute necessity.

• • •

War casualties among Canada's gold mines have become quite numerous in recent months. Last week, we noted suspension of production by three Zeballos producers and since then Tyranite, a Sylvanite subsidiary, has announced suspension of production for duration.

Early this week, it was announced the Box mine of Consolidated Smelters would be closed after extensive consideration of this mine's position. Some time ago, it had been reported that the Box was to close, but the original decision was reconsidered and it appeared for a time that the mine would continue to operate until the latest announcement was made.

The next few months will bring still further suspensions, it is believed. Yukon Consolidated Gold Corp., operating in the Yukon, will, however, not suspend production as some reports have had it.

From present indications, the more outlying operations seem to have the greatest difficulty in securing adequate supplies of labor and these may be the first to feel the brunt of the changing labor market.

Oil Royalties

Producing Wells — Prices and Payments

	July daily allow. bbls.	June daily allow. bbls.	Mar. roy. pay. 1% $	Apr. pay. 1% $	May pay. 1% $	Paid to May 30 1% $	Dealers offering price† 1%
Ace. No. 1 gross	538	539	264.90	242.98	241.82	2,679.13	$7,700
Alta. Oil Inc. No. 1 gr.	76	109	65.60	53.20	52.40	3,347.20	1,600
Do., 1 net	76	109	56.00	44.40	42.00	3,876.80	1,300
Do., No. 2 pr.	518	573	251.20	229.20	252.80	4,824.80	8,600
Do., No. 2 net	518	573	229.20	208.80	231.60	4,877.00	6,900
Allied No. 1 pfd.	100	100	50.17	44.63	42.80	529.69	1,600
Arrow No. 1 net	156	163	85.20	77.20	78.00	1,215.60	1,900
Do., No. 2 net	196	203	86.00	76.40	94.00	1,138.20	2,600
Atlas No. 1 net pfd.	120	125	....	8.80	35.60	44.40	2,100
Atlas-Br. D. No. 2 pfd.	699	746	....	....	466.80	466.80	10.500
D. & D. net pfd.	75	80	41.20	34.40	36.40	1,671.00	1,500
Drill. & Prod. No. 3 p.	125	135	....	....	....	......	2.300
Independent No. 1 p.	235	245	152.64	150.65	148.99	1,468.87	4,400
Do., No. 1 gr.	235	245	109.66	107.84	107.09	1,573.23	4,100
Major Oil No. 1 pfd.	129	146	92.00	74.00	77.60	380.40	1,900
Do., No. 1 gr.	129	146	79.20	71.60	72.40	1,255.60	2,300
Do., No. 2 pfd.	623	708	485.20	446.80	430.40	3,071.40	7,200
Do., No. 2 gr.	623	708	367.60	334.40	331.20	3,263.60	9,400
Do., No. 2 dfd.	623	708	....	....	....	......	6,300
Do., No. 3 pfd.	840	850	638.40	549.20	534.00	4,195.60	8,500
Do., No. 3 pr.	840	850	456.00	406.00	396.00	3,754.40	....
Do., No. 4 pfd.	304	480	185.60	384.40	325.20	1,220.40	5,200
Do., No. 4 gr.	304	480	341.20	276.40	248.00	1,624.00	6,500
Do., No. 9 gr.	400	...	....	....	....	......	8,800
Do., No. 9 gr.	400	...	....	....	....	......	7,500
Miracle No. 1 pfd. net	453	643	500.13	456.48	414.82	3,892.05	6,000
Do., No. 1 gr.	453	643	347.22	316.47	296.21	3,526.40	9,400
Do., No. 2 pfd.	280	473	....	78.69	239.30	317.99	5,000
Sunset No. 1 gr.	99	101	52.23	58.41	48.40	6,817.87	1,900
Do., No. 2 gr.	80	80	43.15	39.57	....	*6,769.47	1,900
Twin Valley No. 1 gr.	160	168	82.35	73.15	80.19	1,881.50	4,300
Vulcan Brown gr.	110	117	85.70	72.80	....	*7,955.02	4,300
Do., net	110	117	52.16	54.43	....	4,799.64	3,100
Winalta No. 1 pfd.	96	100	72.80	54.40	72.00	3,259.10	1,300
York No. 1 gr.	89	90	46.69	44.84	....	4,645.01	2,250
Do., No. 2 gross	75	75	43.55	54.20	....	*1,482.54	2,250

†Approximately 20% below dealers' bid prices usually. *To Apr. 30 only.

Drilling Wells — Prices and Depths

	Drilling depth ft.	Offering price per 1%
Adanac, pfd.	3,316	*$4,375
Atlas Br. Dom., No. 3 p	4,235	*4.375
Bonaventure, pfd.	6,365	4,800
Hastings, No. 1 pfd.	7,652	4,250
Lion-Davies, No. 1 pfd.	2,814	*4,300
Major Oil, No. 6 pfd.	5,630	6,700
Major Oil, No. 6 gr.	5,630	8,300
Major Oil, No. 7 pfd.	8,384	7,700
Major Oil, No. 7 gr.	8,384	8,500
Major Oil, No. 8 pfd.	7,323	7,100
Major Oil, No. 8 gr.	7,323	8,400
Major Oil, No. 12 pfd.	8,655	*4,375
Major Oil, No. 12 gr.	8,655	4,800
Miracle, No. 3 pfd.	5,338	5,800
Northclon., No. 1 pfd.	3,369	*4,375
Northclon., No. 1 gr.	3,369	6,500
Northend, No. 1 pfd.	7,478	5,300
Northend, No. 1 gr.	7,478	6,000
Northend, No. 2 pfd.	4,432	4,300
Northend, No. 2 gr.	4,432	5,600
Northend, No. 3 pfd.	8,084	4,500
Northend, No. 3 gr.	8,084	6,500
New Ranchmen's, pfd.	....	*3,200
Empire, pfd. (Ont.)	....	*1,100
Hi. Test Pete., pfd.	....	*3,600

*Pegged price.

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The Week In Oils

From Our Own Correspondent

CALGARY.—The Taber Area of southeastern Alberta loomed large in the western Canadian oilfield development picture this week, with news of the successful completion of Standard Oil of British Columbia's initial test in this area.

The well, which commenced swabbing test on July 1, has not yet been on production long enough to exactly appraise its prospects. It does appear reasonably certain, however, that the well will be a commercial oil producer and that, when placed on steady production on the pump, it may yield from 100 to 150 bbls. of crude oil per day. With the productive horizon around 3,200 ft., and drill-costs low compared with the deep foothills field of Turner Valley, such a well would compare favorably with the average producer of the rich Turner field.

225 Bbls. 1st Day

After the bulk of the drill-fluid had been cleared and the 3,181-ft. hole stood full of oil, the swabbing test showed a net oil recovery of around 225 bbls. in 24 hours, during which time the fluid level was lowered to a point around 1,700 ft. from the surface. In the next 13 hours, just over 150 bbls. of oil was swabbed. Then, because the sump-pit was loaded, the well was temporarily shut in Friday night while a second pit was dug.

During Sunday the well was reopened and, due to accumulated pressure, flowed by heads under its own power during the afternoon (10 to 12 bbls. was flushed over the derrick floor in each head, which came at two to three hour intervals). During Sunday night, swabbing was resumed and was still in progress at last report Monday.

To Install Pump

The well's current yield is going into sump-pits. A 500 bbl. tank is expected to be installed in a few days. Standard is now looking around for a suitable type of heavy pump, and pumping equipment will be installed and the well placed on steady production as soon as possible. Gravity of the oil now being recovered, incidentally, is between 17 and 18 deg. API. This compares with a gravity of around 24 degrees API at the Plains Pete No. 2 producer, about three miles to the north and west.

Incidently, it has now been announced that the Standard operations at Taber are actually a 50-50 joint venture with Nassau Exploration Co., a group which includes Calgary publisher Max Bell and Cincinnati financier Al Bishoprick.

May Returns High

The Conservation Board reported May, 1942, Alberta production this week. Output of crude oil and natural gasoline totalled 876,732 bbls. (average of 28,282 bbls. per day), compared with 827,102 bbls. (26,681 bbls. per day) in May, 1941. Revenue from oil sales reached a total of $1,331,925 (average $42,965 per day), compared with $1,042,364 ($33,625 per day) in May, 1941.

The May return boosts Alberta production for the first five months of 1942 to a total of 4,313,292 bbls., with revenue from sales totalling $6,620,515. This is how the return stacks up alongside returns for the same period in 1940 and 1941:

Five Months Return

	1942	1941	1940
	$	$	$
Revenue	6,620,515	5,044,884	3,553,287
Prdn. (bbls.)	4,313,292	3,973,192	2,952,865
..	Incr. '42 ov. '41	Incr. 41 ov. '40	Incr. '42 ov. '40
	$	$	$
Revenue	1,575,631	1,491,597	3,067,228
Prdn. (bbls.)	340,100	1,020,327	1,360,427

May, 1942, Returns

	Barrels
Turner Valley:	
Limestone Zone Oilwells	842,411
Limestone Zone Naptha wells	2,024
Shallow Zone Oilwells	549
Absorption Plant Natural Gas.	21,691
Total Turner Valley	866,675
Other Fields:	
Red Coulee (7 wells)	872
Vermilion (10 wells)	5,415
Wainwright (5 wells)	841
Taber Field (1 well)	1,032
Tilley (1 well)	1,894
Del Bonita (1 well)	94

July Quota Lower

July, 1942, allotments for Turner Valley oil wells have been announced by the Conservation Board. Daily allotment for oil wells assigned quota totals 25,075 bbls., with an additional 111 bbls. daily for 10 wells previously classed as oil wells and now to be reclassified as gas wells because gas-oil ratio has risen above 30,000 cu. ft. per bbl. Three new names appear on the oil well list with initial allotments. Home Millarville No. 11 is given a quota of 618 bbls. per day; Major Oil Investments No. 9 a temporary quota of 400 bbls.;

In connection with the new schedule it should be pointed out that the "Brown Plan" has been applied in full in determining new quotas for all wells in townships 20 and 21, while the "modified Brown Plan" is still applied to wells in townships 18 and 19. The full plan will go into effect on Sept. 1 in townships 18 and 19. In some cases the application of the full Brown Plan has resulted in a fairly severe cut in allotment. It should be remembered, however, that from now on the monthly decreases in allotment will likely be much more gradual for wells now operating under the full plan, the future quotas now fully depending on the month-to-month conditions at each well, particularly as to the gas-oil ratio.

The Brown Plan, like other forms of conservation, is designed to maintain efficient operation, and thus result in maximum ultimate oil recovery. If this aim is achieved, the long-term best interests of well owners will be served. Incidentally, the operators of wells in townships 20 and 21 were consulted fully, before the board decided to apply the full plan in this area, 60 days ahead of the original planned date of Sept. 1.

When—not IF—
Another Day Dawns

As this war goes on, it becomes obvious that forward thinking is an essential of success. Strategies based on other wars are doomed to certain failure. Of this, we have ample daily proof.

And yet, much of our life's planning MUST be founded on patterns of the past. We must assume that in many ways history will repeat itself. We say of the sun tomorrow, *"When"* it rises—not "if"! We must anticipate the seasons' coming and going in their regular order. The past is our yardstick for the future.

So it is with insurance. Though all its dealings are in futures exclusively, the functioning of insurance is best measured by the past performance of the underwriting company—the past experience of its policyholders. Judged thus, an Employers' policy gives to tomorrow that assured knowledge we already have of *yesterday!*

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Yukon Consolidated Not to Shut Down

Reports that Yukon Consolidated Gold Corp. would suspend production at the end of this season for the duration of the war are denied by C. C. Calvin, a Toronto director of the company.

According to a statement issued by W. H. S. McFarland, general manager, the company not only intends to continue production but has reason to believe it can do so. Supply position is described as quite favorable, the Canadian government having allowed a fair degree of priority for vital requirements.

Quebec Gold Output Higher in May

An increase in gold production is reported for Quebec in May with 93,340 ounces of gold turned out compared with 88,127 ounces the same month of 1941.

Silver production, however, decreased from 176,564 ounces in May, 1941 to 133,980 ounces this year.

LEITCH QUARTERLY

The usual quarterly dividend of 2 cents a share has been declared by Leitch Gold Mines payable Aug. 15 to shareholders of record July 31. Ex-dividend date is July 30.

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Position of Chartered Banks of Canada as of May 30, 1942, Shown by Monthly Returns to Minister of Finance

LIABILITIES

NAME OF BANK	Notes in Circulation	Deposits by and Bal. Due to Dominion Government	Deposits by and Bal. Due to Provincial Government	Advances from Bank of Canada	Demand Deposits in Canada	Savings Deposits in Canada	Deposits Elsewhere	Bal. due to other Banks in Canada	Due to Banks in U.K.	Due to Banks Elsewhere	Bills Payable	Letters of Credit outstanding	Other Liabilities	Dividends Declared and unpaid	Reserve Fund	Capital Paid Up	Total Liabilities
	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Montreal	17,110,380	120,625,650	8,390,794	....	314,136,488	392,162,594	98,578,198	2,589,077	9,047,285	10,094,365	....	20,204,422	2,374,545	681,197	39,000,000	36,000,000	1,070,995,000
Nova Scotia	6,164,268	23,689,270	513,893	....	71,471,617	142,889,868	55,032,756	3,867,427	1,179,904	1,832,619	....	24,862,081	203,892	366,287	24,000,000	12,000,000	368,073,886
Toronto	2,636,959	19,066,154	1,593,622	....	54,062,030	85,468,217	985,935	108,861	823,033	529,545	....	3,422,534	....	150,433	10,000,000	6,000,000	184,847,328
Provinciale	1,887,080	2,416,257	252,411	....	11,852,416	39,821,943	9,954	....	....	34,682	....	104,141	5,880	63,139	1,000,000	4,000,000	61,447,906
Commerce	14,223,347	66,444,876	16,361,695	....	214,940,394	306,398,630	68,164,582	913,454	4,342,830	6,209,159	....	28,297,040	....	56,056	20,000,000	30,000,000	776,352,069
Royal	21,594,233	83,398,097	9,692,846	....	308,762,182	320,268,366	258,437,264	14,887	3,295,548	11,662,389	37,349	34,795,463	1,289,135	745,740	20,000,000	35,000,000	1,108,993,505
Dominion	3,167,334	18,524,078	726,076	....	49,808,728	75,144,708	8,117,237	1,515,909	568,564	279,808	....	4,130,107	494,432	3,560	7,000,000	7,000,000	176,480,546
Nationale	3,151,017	7,491,416	1,765,294	....	43,557,827	100,058,937	460,752	1,012,165	23,895	800,619	....	645,821	38,503	146,303	5,000,000	7,000,000	171,152,553
Imperial	3,429,225	26,275,933	18,906,041	....	59,028,964	87,570,750	2,667,985	1,483,440	1,171,304	668,575	....	5,603,872	....	12,377	8,000,000	7,000,000	221,818,472
Barclays (Canada)	695,290	3,123,511	24,250	....	5,058,999	5,889,602	3,655,510	197,682	3,113,881	897,360	....	870,911	11,358	....	750,000	1,500,000	25,788,337
Total	74,059,133	371,055,242	58,226,922	....	1,132,679,645	1,555,675,615	496,110,173	11,702,902	23,566,224	33,009,121	37,349	122,936,392	4,417,745	2,225,092	134,750,000	145,500,000	4,165,949,602

SUPPLEMENTARY INFORMATION

NAME OF BANK	Capital Authorised	Capital Subscribed	Last Dividend	*Loans to Directors and firms of which they are Partners	Average Notes and Deposits with Bank of Can.	Greatest Amount of Notes in Circ.
	$	$	%	$	$	$
Montreal	50,000,000	36,000,000	8	401,672	81,300,847	17,227,690
Nova Scotia	15,000,000	12,000,000	12	2,644,371	27,014,000	6,227,663
Toronto	10,000,000	6,000,000	10	561,235	14,951,797	2,687,759
Provinciale	5,000,000	4,000,000	6	155,341	4,276,155	1,931,585
Commerce	50,000,000	30,000,000	8	1,015,662	59,766,168	14,551,832
Royal	50,000,000	35,000,000	8	1,236,491	72,219,316	21,725,060
Dominion	10,000,000	7,000,000	10	588,628	18,243,114	3,240,959
Nationale	10,000,000	7,000,000	8	169,679	11,496,469	3,201,242
Imperial	10,000,000	7,000,000	10	546,976	16,051,911	3,475,360
Barclays (Canada)	1,500,000	1,500,000	....	19,229	1,829,269	695,590
Total	211,500,000	145,500,000	....	7,339,284	307,149,046	74,984,740

[illegible] amount, $52,733,712 represents deposits in Canada in currencies other than Canadian. *And loans for which they are guarantors.

ASSETS

NAME OF BANK	Gold and Subsidiary Coin Held in Canada	Gold and Subsidiary Coin Held Elsewhere	Notes of Bank of Canada	Deposits with Bank of Canada	Notes of Other Banks	Govt. and Bank Notes other than Canadian	Cheques on other banks	Balances due by other banks in Canada	Due by banks in U.K.	Due by banks elsewhere	Govt. sec. short term	Govt. sec. long term	Canadian municipal securities	Public sec. other than Can.
	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Montreal*	1,409,902	62,930	23,142,469	49,930,336	814,535	477,884	32,325,285	1,445	5,683,435	25,478,423	202,850,171	280,326,701	14,879,172	36,739,648
Nova Scotia	397,965	834,676	7,581,827	15,999,726	209,599	7,548,219	11,582,147	....	8,534,299	13,050,203	45,807,546	65,090,773	9,991,139	2,760,483
Toronto	301,755	....	4,437,727	8,424,472	92,320	57,522	6,763,679	....	80,107	3,354,971	43,278,023	43,456,267	2,454,307	....
Provinciale	266,346	....	2,350,891	2,569,220	78,260	43,475	2,520,751	2,575	25,886	875,788	8,934,349	9,171,991	11,588,360	....
Commerce†	980,994	189,527	15,098,070	37,205,707	333,196	2,204,830	22,318,122	....	5,543,428	19,328,900	119,770,011	164,734,207	7,582,625	29,733,724
Royal	1,603,060	1,480,070	25,551,681	41,739,329	656,943	26,233,858	43,165,868	6,046	16,655,476	50,647,423	179,401,899	236,196,120	8,659,344	27,276,057
Dominion	263,708	280	2,605,820	12,888,774	179,325	132,167	5,658,327	81	2,113,097	4,556,938	26,573,084	32,602,045	1,438,872	....
Nationale	574,648	....	6,219,425	5,926,226	124,845	57,078	4,456,049	1,057,199	134,625	1,965,149	22,882,033	27,708,090	16,062,701	17,383
Imperial	394,762	....	5,812,895	10,056,116	206,210	79,583	7,636,373	664,221	239,164	5,334,808	38,323,188	48,684,419	5,770,647	....
Barclays (Can.)	4,670	....	97,551	1,243,418	3,120	2,547	443,931	1,124,223	1,910,223	3,493,992	4,732,223	7,140,782	1,000	25,000
Total	6,197,810	2,567,483	92,898,356	185,983,324	2,698,353	36,837,163	136,870,532	2,855,790	40,920,660	128,095,595	702,538,527	915,111,395	78,429,167	96,553,300

NAME OF BANK	Other bonds and stocks	Call and short loans in Canada	Call and short loans elsewhere	Current loans in Canada	Current loans elsewhere	Loans to provincial governments	Loans to municipalities	Non-Current loans	Real estate other than Bank premises	Mortgages on real estate	Bank Premises	Deposit for note circulation	Other assets	Total assets,Δ
	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Montreal*	22,182,934	2,106,737	26,311,174	249,871,300	22,062,299	5,429,583	32,785,740	519,777	373,235	465,962	13,900,000	1,015,765	1,748,279	1,073,099,387
Nova Scotia	11,995,246	3,747,678	343,143	107,920,729	16,953,113	610,581	4,586,296	377,555	....	79,506	5,931,365	430,822	2,391,185	369,626,913
Toronto	3,525,836	1,060,500	....	59,904,292	....	....	3,642,496	59,875	....	8,130	3,088,914	178,185	....	187,591,911
Provinciale	1,320,346	2,477,224	....	14,108,841	....	34,022	2,262,249	66,712	405,239	258,940	2,065,981	129,913	106,365	61,773,873
Commerce†	13,008,679	6,911,486	14,578,441	233,658,747	15,794,410	7,896,319	11,323,347	1,089,597	2,198,559	914,616	13,932,085	852,000	4,531,460	780,017,141
Royal	27,925,232	5,875,513	19,002,964	240,106,445	83,473,802	1,417,023	17,057,846	1,577,839	1,588,316	784,234	14,191,788	1,200,000	3,932,925	1,112,202,580
Dominion	1,314,984	1,292,035	2,198,573	71,899,028	489,634	641,501	540,710	152,355	21,062	27,245	5,383,418	222,425	202,186	177,528,690
Nationale	3,533,413	3,307,100	....	52,275,374	....	311,413	7,133,600	165,143	1,510,595	695,860	4,763,804	215,611	235,885	171,859,085
Imperial	51,905	2,175,427	....	81,553,740	....	219,670	3,823,984	162,685	22,129	192,878	5,623,570	235,451	....	222,872,727
Barclays (Can.)	....	173,100	....	3,792,653	....	....	....	3,525	....	....	730,634	23,751	....	25,817,260
Total	84,864,964	29,026,820	62,434,294	1,115,096,158	138,773,258	16,560,114	83,156,268	4,175,063	6,119,135	3,427,371	69,611,559	4,503,923	13,147,285	4,182,358,767

*The business of the Bank in San Francisco, U.S.A., is carried on under the name of a locally incorporated company and the figures are incorporated in the above statement.—Footnote to Bank of Montreal return.

†The Canadian Bank of Commerce (California) has been incorporated under the laws of the State of California to conduct the business of the Bank in that State and the assets and liabilities of the Canadian Bank of Commerce (California) are included in the above general statement.—Footnote to Canadian Bank of Commerce return.

ΔTotal assets include $122,936,392 letters of credit outstanding as shown in liabilities.

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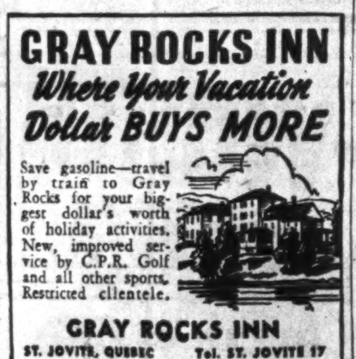
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U. S. Metals Deal Terms Important

Capital Assistance Basis and Possible Bonus Prices Arouse Conjecture

By GORDON M. GRANT

Following Washington's announcement that the Reconstruction Finance Corporation will advance funds for opening marginal and sub-marginal deposits in Canada, Ottawa has confirmed officially completion of such a deal which "probably will result" in opening up these deposits.

New regulations prohibiting expansion of mining operations, except under permit, will not be allowed to interfere with plans formulated under this agreement, Ottawa states, giving the "all clear" for the new expansion.

How Plan to Work

From what The Financial Post learns, it seems that when the RFC makes capital advances, the product will be marketed with the Metals Reserve Co., the U. S. mineral stock-piling agency. The deals with individual companies will be handled through the Metals Controller at Ottawa. It will be concentrates that will be sold to the Metals Reserve Co. as Canada hasn't the smelting or refining capacity to handle a greater metal output.

That the new development of marginal and sub-marginal deposits of copper, lead and zinc will not be of the "hit-and-miss" variety has been indicated by a statement of Metals Controller George C. Bateman. Mr. Bateman pointed out that the new programme did not mean that deposits would be exploited which could not be worked advantageously. It is believed opening up of deposits will be determined by the factors discussed in the article "When Is It Worth While to Mine a Deposit?" appearing in The Financial Post last week. This article indicated that time required to reach production and low capital costs can be as important as a low cost per pound for turning out a needed metal, under certain circumstances.

Mr. Bateman points out, manpower shortage and difficulties of obtaining mine machinery and supplies places a definite limit upon expansion which can be undertaken under the new programme. The type of new project undertaken can be controlled by licensing now.

It is strongly indicated now that new projects, to secure attention, must be able to show that they can turn out metal at a reasonable cost in a reasonable length of time, using not too much of U. S. priority material. Capital expense must not be too far out of line.

Bonus Metal Prices

Canadian mining men hope that the Metals Reserve Co. will pay to new Canadian mines bonus prices similar to those already being offered for "above quota" production in the United States. Under the U. S. plan, effective Feb. 1, 1942, and continuing for two and one-half years, a price of 17 cents a pound for copper will be paid for metal produced in excess of ordinary production.

The Metals Reserve Co. also pays 11 cents a pound for zinc and 9.25 cents a pound for lead—if the output is "extra." As these are prices in the United States—and for U. S. producers—approximately 10% would have to be added to secure the equivalent prices in Canadian funds.

What Bonuses Would Mean

These metal prices would be far beyond anything received by Canadian producers so far in this war. For copper, they would mean an increase of approximately 85% over U. K. contract prices would be made available for extra copper output, about 300% would be added to the price for extra lead output over the U.K. price and around 200-250% to the price of zinc.

If bonus metal prices are to be made available to Canadian mines, each case may be judged on its own merits with action taken according to needs.

Sub-Marginal Mine Status

Under the new budget, new base metal producers would be exempt from the excess profits tax for a period of three years from Jan. 1, 1943, and will have only the 18% corporation tax to meet during that period.

This means that a real profit incentive would be presented for opening further base metal mines should "bonus" prices be made available in Canada. It appears obvious that something extra in the way of price will be necessary for operation of sub-marginal mines and some form of bonus price arrangement would seem the answer.

Prospecting Out

The original Washington announcement of the financial assistance programme for Canadian mines said that prospecting would also be financed with United States funds. It is understood that this part of the Washington statement, as expected, was erroneous and that no prospecting with public funds, either United States or Canadian, is planned. This work will continue to be carried on by private parties.

In the U. S. a certain amount of secondary "prospecting" was carried out by the U. S. Bureau of Mines prior to Pearl Harbor and a small amount of similar work is being done here.

Diamond drilling was carried out on marginal and sub-marginal properties to determine the production of certain strategic minerals that could be secured in case of emergency. An emergency—Pearl Harbor—did occur and steps became necessary to turn out production of many metals not commonly known, but nevertheless essential to the United States unprecedented industrial programme.

Canada with her smaller industrial capacity hasn't carried out as much original spade work for strategic minerals as the U. S., but the inventory of mineral resources now being made by the War Metals Advisory Committee is expected to assist rapid development of any new programme.

These Jobs Impress

That the United States regards expenditure of large sums for making strategic minerals available as a necessity, is evidenced by the work now being carried on in the United States. Work so far has been largely on the less strategic metals but these steps are indicative of the lengths to which the United States will go to secure any needed production.

Here is what a W. P. B. article has to say on manganese:

"We used to import most of our manganese, producing only about 30,000 tons in 1939 and only 40,000 tons in 1940. Then our shipping lanes were threatened.

"Ten projects are under way to produce manganese in the west. Three large ore plants and seven small ones have been recommended for Federal financing, and an annual production of 600,000 tons of high grade manganese ore is expected shortly as a result. Contrast this with total production of 40,000 tons in 1940!

"These new manganese works in Nevada, Montana, Utah, Arkansas and Minnesota represent another startling achievement in the new prospecting of the west."

Canada has started turning out tungsten but it appears that the United States has gone further in arranging for adequate supplies of this metal. Here is what the W. P. B. article says about tungsten:

"We used to get over 10,000 tons of tungsten a year from China and other foreign countries while we produced (1940) only about 5,000 tons. When Japan started throwing her weight around in South China, it upset our tungsten cart so we had to send out new prospectors to dig up some more.

"One of the first things done was to build a new plant at Pine Creek, California, which increased the output of the U. S. Vanadium Co. there about 120%. The Vanadium Co. and the U. S. Bureau of Mines have been working on mines at Mill City and Golconda, Nevada, and are now developing and treating ores. During this time, production in the mines has more than doubled."

The Metals Reserve Co. has made arrangements with United States Vanadium Corp. to build a new plant at Salt Lake City for the treatment of low grade tungsten ores, financing by Metals Reserve, management by U. S. Vanadium.

According to the Washington and Ottawa announcements, copper, lead, zinc and graphite are the minerals chiefly affected by the United States programme in Canada. The examples of manganese and tungsten activities show the length the United States government is going to secure adequate supplies of any badly-needed metal.

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Stop Exploration at Cariboo As Labor Situation Acute

Concrete evidence of the dificulty gold mines are experiencing in finding adequate supplies of labor is provided in the current quarterly report of Cariboo Gold Quartz Mining Co., a leading B. C. producer.

"All exploration work has been discontinued on account of the shortage of miners and the average amount of development work in the ore zones has been greatly reduced," president and managing director R. Randall Rose, states in his remarks to shareholders.

Gold mines in British Columbia have been restrained by Federal authorities from hiring further help until base metal mines in that area secure enough miners so no early amelioration of the Cariboo Gold Quartz labor situation appears in prospect.

Lots of Ore On Hand

As the company has approximately four years' ore in reserve, the fact that it has been forced to suspend exploration is not expected to have any serious effect on current operations.

Net profit of $94,780 or 7.1 cents a share realized in the three months ended April 30, 1942, represented a small increase over the $89,337 or 6.7 cents a share realized in the corresponding period last year.

Production from Feb. 1 to May 31, 1942, totalled $629,597 from 39,306 tons of ore milled. A total of 4,145.1 ft. of exploration and development and 2,996 ft. of diamond drilling were carried out in this period.

Some Ore in B. C. Vein

On the 15-Main level, the third section of the B. C. vein, referred to in the annual report, was followed until it pinched to a width of three inches.

Total length of 132 ft. opened up averaged 0.348 oz. gold per ton across an average width of 2,79 ft.

In No. 1 ore zone, the crosscut on the 2,000-ft. level has reached the Rainbow zone and one promising vein had already been cut.

In the various ore zones, the development completed during the four months are reported to have given very satisfactory results.

High Costs Cut Pend Oreille Net

But Working Capital Improves After Paying 6-Cent Dividend

While net receipts from ore sales were some $50,000 higher in the year ended April 30, 1942, Pend Oreille Mines & Metals Co. experienced lower profits due to increased smelter and freight charges together with generally higher operating charges.

Earnings for the year totalled $48,366 equal to 3 cents a share compared with 4.4 cents the preceding company year. After paying 6 cents a share in dividends, however, the company was able to show an increase in working capital of close to $90,000 at $276,854.

Development work carried out during the year comprised some 1,600 ft. of drifts, 630 ft. of raises, 230 ft. of incline shafts and 22,993 ft. of churn and diamond drilling. Taxes were equal to 114.79% of the net profit.

The company's hydro-electric installation operated continuously during the year, generating 9,183,000 kilowatt hours.

Income and Surplus Account
Years Ended April 30

	1942	1941
	$	$
Net ore sales	825,476	770,232
Add: Misc. income	47,942	45,431
Total receipts	873,418	815,663
Less: Operat. exps.	586,552	484,290
Gen. exps. & taxes	55,482	60,625
Depreciation	85,152	85,238
Depletion	72,013	88,460
Income tax	25,853	24,607
Net profit	48,366	72,443
Less: Dividends	97,938	......
Surplus for year	*49,572	72,443
Add: Prev. surplus	161,395	88,952
Earned surplus for'd.	111,823	161,395
*Deficit for year.		
Earnings per Share and Dividend Record:		
Earned	$0.03	$0.044
Paid	0.06	nil
No. of Shs. Outstand.	1,632,308	1,632,308
Working Capital		
	$	$
Current assets	340,701	247,856
Current liabilities	63,847	58,868
Working capital	276,854	188,988

Paymaster Output Lower

Slightly lower production—attributable to a slightly shorter month—was experienced by Paymaster Consolidated Mines in June. Output of $157,547 was realized from milling 17,991 tons of ore for an average recovery of $8.76 a ton. Production the previous month was $159,456 from 18,267 tons of ore, an average of $8.73 a ton.

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Mining Concentrates

Central Patricia Gold Mines had estimated net profit of $121,815 or 4.87 cents a share in the three months ended Mar. 31, 1942. This compared with $184,780 or 7.39 cents a share in the corresponding period last year. Lower profits resulted from a decrease in production and an increase in costs. Output for the period was $453,073 about $75,000 lower while costs were up about $30,000 at $250,164. Tax charges were somewhat lower, reflecting the decrease in operating profits.

• • •

Duquesne Mining Co. has advised the Toronto Stock Exchange that 3,000 shares have been issued to C. Glenn Hunter, executive vice-president and M. A. Sprott, assistant secretary, respectively, for services rendered the company during May and June, 1942. Issued capital is 4,067,977 shares, leaving 932,023 shares in the treasury.

• • •

Gold mines in British Columbia are feeling what a serious shortage of labor can do. These mines under present regulations cannot hire any further men until base metal mines in that area receive their full requirements of men. As labor is drawn more and more into war industry, it seems that gold mines across Canada will be faced with an increasingly acute labor problem.

• • •

Jellicoe Mines (1939) has no plans for active work in hand at present, the report for the 14 months ended April 30, 1942, reveals. Balance sheet as at April 30, 1942, shows $4,345 cash, $231 of accounts receivable and $72,693 of investments with market value of $50,424. There were no current liabilities but there was a contingent liability of $20,000 under a guarantee. Net loss was $54,190 for the year.

• • •

MacLeod-Cockshutt Gold Mines planned to expand mill capacity from 650 to 1,000 tons daily but delays on equipment delivery seriously hindered this expansion and the date of completion has been very much in doubt for months. With the freezing of milling rates, completion of expansion may have to wait for the end of the war. Preparations have been made to allow handling a larger tonnage of ore and this will help in case of a labor shortage. Development work can be sharply curtailed if necessary and this might have the effect of increasing current operating profits somewhat without an increase in mill capacity. The 100% excess profits tax clause, however, will likely skim off most of any excess profit.

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McIntyre Porcupine Mines has declared 55½ cents a share payable Sept. 1, 1942, to record Aug. 1.

• • •

Paymaster Consolidated Mines has declared 1 cent a share payable Aug. 15, 1942, to record Aug. 1 and an additional dividend of 1 cent a share payable Jan. 15, 1943, to shareholders of record Dec. 31. The company had previously been limited in the dividends it could pay by lack of a ruling on the company's position under the Excess Profits Tax but a favorable ruling has now been received.

Preston East Dome Mines is reported to be one Porcupine producer that might have to reduce production due to the projected freezing of gold mines tonnage at the average daily milling rate of the first four months of this year. Preston doubled mill capacity from 500 to 1,000 tons daily not long ago and has only recently reached the level of around 1,000 tons daily: In the first three months of this year, an average of only 723 tons of ore a day was treated, indicating how the company might have to cut production unless special consideration should be forthcoming from the Metals Controller.

• • •

Republic Tungsten Mines plans to use a "bull-dozer" for stripping operations on its Grenfell Twp. property west of Kirkland Lake and this work is to be followed up by putting down a series of diamond drill holes. Silicified material taken out so far shows evidences of tungsten under the ultra-violet ray lamp.

• • •

Senator-Rouyn turned out $461,153 of gold in the six four-weekly periods ended June 17, it is reported. It is not expected that this high rate of production will continue but it has served to allow the complete paying off of the company's note issue. Deep drilling below the present bottom level is stated to have indicated the downward extension of the ore structure and sinking is now under way to open up five new levels down to a depth of 1,500 ft.

U. S. Industry Short of Silver

With Handy & Harman, major U. S. silver-working firm, unable to allocate any "foreign" silver for industrial use last month, it is becoming increasingly evident that a shortage of silver is on the way.

War uses of silver and lease-lend orders for silver for coinage have been playing their part in making silver supplies in the world market less than current demand. In the U. S. domestic silver is purchased at 71.11 cents an ounce by the U. S. treasury and the chief dependence has been on the 35⅛ cents an ounce foreign product for industrial working.

Several moves are afoot to have the large holdings of the U. S. treasury made available for industrial purposes and some have already been loaned for "bus bars."

Sunset Profit

A net profit of $17,398 or one cent a share realized by Sunset Oils in the year ended Mar. 31, 1942, compared with $41,948 or 2.6 cents a share the previous year.

A 41.2% decline in production more than offset beneficial effect of a 27 cents a barrel increase in the price of crude oil, it is noted.

With 3 cents a share paid in dividends during the year, it is stated that 124% of the 25-cent par value of the company's stock has now been paid in dividends. Working capital as at Mar. 31, 1942, was approximately $23,000 or 1.4 cents a share.

Sigma Production Off

Production of $252,019 from milling of 33,280 tons of ore is reported by Sigma Mines (Quebec) for June, 1942. This compares with output of $262,478 the previous month and $242,384 for June, 1941.

Close Tyranite As Labor Short

Location 40 Miles From Rail Head Makes Securing Men Difficult

From Our Own Correspondent

Difficulty in securing an adequate supply of experienced labor is stated to be one of the chief factors leading directors of Tyranite Mines to decide on closing the company's mine for duration.

Tyranite is stated to be following the example of several other isolated operations which have found difficulty in securing the men needed to continue regular operations. Tyranite, located 40 miles from the railroad, has found it increasingly difficult, if not impossible, to secure labor.

Profits Better Later

Complications of labor dificulties, tax problems and necessary war restrictions, says Managing Director Welles V. Moot, have made it unwise to continue production now. By closing down operations now and preparing for capacity production later on, it is thought that a better profit can be secured than at present.

When more normal conditions return it is planned to continue the shaft an additional 450 ft. because diamond drilling from the bottom or 1,125 ft. level has shown excellent results at a depth of 1,425 ft. Three holes at a depth of 1,275 ft., spaced 100 feet apart, gave a true width of 12.5 ft. grading better than four penny weights per ton although the ore was not so wide as on the 1,275-ft. level (A pennyweight is equal to $1.75 with gold at $35 an ounce).

Additional holes are now being put down.

Company Reports

Charles Gurd

Operations of Charles Gurd & Co. for the fiscal year ended Mar. 31, 1942, showed an improvement in operating profit, but after special deductions, there was a net loss of $64,100, against $17,191 the year before.

During the year Charles Gurd & Co. (Maritime) Ltd. was liquidated. The interest here was written off by deducting from the profit and loss account $63,657 made up of $51,757 of amount due by the associated company, and $11,900 provision for possible claim on the guarantee. This was partly offset by a provision of $24,149, set up in the previous year for contingent liabilities.

Income and Surplus Account
Year Ended March 31

	1942	1941
Total income	$225,286	$119,814
Less: Taxes & licenses	163,624	79,433
Exec. salaries	13,025	12,650
Directors' fees	1,525	1,860
Legal fees	497	1,354
Depreciation	18,035	23,149
Other deductions	92,679	41,307
Net loss	64,100	17,191
Previous surplus	158,533	178,953
Surplus forward	94,433	161,762
Working Capital Position		
Current assets	$233,346	$211,074
Current liabilities	50,209	22,453
Working capital	183,137	188,621
Balance Sheet Changes		
Cash	$14,770	$ 4,456
Guar. loan	52,987	16,987
Govt. bonds	2,000	1,482
Inventory	71,508	81,295
Containers	85,139	144,642

Corporate Investors

Corporate Investors Ltd., management type of investment trust, reports net profits for the year ended April 30, 1942, equivalent to 32 cents a share on 183,983 shares outstanding. This compares with the same amount earned on 179,286 shares outstanding a year earlier. There was a net increase of 4,697 in number of shares outstanding during the past year.

Dividends paid last year totalled 26½ cents a share which is expected to qualify the company as a diversified investment corporation which is not subject to excess profits tax.

Portfolio at April 30 last had a book value of $956,195 and a market value of $924,400, a depreciation of 3 1/3%. Corresponding figures at June 15, 1942, showed a net depreciation of $8,400, or less than 1%. A year ago book value was $937,766 and market value $973,480.

Investment reserve has been increased by $8,526. This is the total of non-recurring revenue received during the year plus the amount by which returns from investments in gold mines, base metals and oil companies were reduced by depletion allowance.

Income and Surplus Account
Years Ended April 30

	1942	1941
	$	$
Investment income	70,651	68,944
Add: Other income	566	702
Total income	71,217	69,646
Less: Exec. salaries	2,500	2,500
Directors' fees	2,638	2,579
General expense	4,811	4,900
Interest	516	18
Taxes	2,391	3,164
Net profit	58,361	56,485
Less: Dividends	48,245	41,280
Surplus for year	10,116	15,205
Add: Prev. surplus	30,540	24,577
Less: Addit. 1941 divs.	5,386	......
Trans. to invest. res.	6,410	9,242
Gold shares w/d	2,116	......
Earned surplus fwd.	26,744	30,540
Earned per share:		
Class A	$0.32	$0.32
Paid	0.26½	0.26
Net assets per share	$5.10	$5.45

Portfolio Break-down

	1942	1941	1940
	%	%	%
Bonds	4.66	17.03	3.10
Preferreds	31.74	25.75	28.18
Commons	63.60	57.22	68.72
	100.00	100.00	100.00

Canadian Wallpaper

Canadian Wallpaper Manufacturers Ltd. reports a higher net profit for the year ended April 30, last, than in the previous period. On the combined classes A and B shares, net is equivalent to $1.30 a share against $1.18. A dividend of $1 a share is to be paid Aug. 10, 1942, to shareholders of record July 31.

Rollage sales for the past year slightly exceeded the previous year but no forecast is made of future operations. During the past year $50,000 of the 4% serial bonds were paid off, leaving a balance of $150,000 outstanding at April 30.

G. A. Orme is retiring as a director and it is proposed to nominate Harold Jackson to fill the vacancy.

General Income and Surplus Account
Years Ended April 30

	1942	1941
	$	$
Subsid. cos. earnings	128,605	122,096
Gross profit on goods	73,958	64,412
Int. on loans to subs.	11,145	12,414
Int. on govt. bonds	661	......
Total earnings	214,369	198,922
Less: Exec. & legal	25,445	25,749
Office sals. & exps	13,129	11,443
Deprec. office furn.	236	148
Interest	6,918	8,918
Corporation taxes	......	500
Net profit	168,640	152,164
Less: Divds. paid	129,246	129,246
Surplus for year	39,394	22,918
Add: Prev. surplus	555,487	535,844
Less: Prior year tax	......	3,275
Earned surplus for'd.	594,882	555,487
Earned per share:		
Classes A & B	$1.30	$1.18
Paid	1.00	1.00
Consol. Working Capital		
	$	$
Current assets	1,892,837	1,651,127
Current liabilities	470,303	352,409
Working capital	1,422,534	1,290,718

United Fuel

Increase in operating profits of United Fuel Investments Ltd. of Hamilton and subsidiary companies in the year ended Mar. 31, 1942, was due mainly to increased gross profit from the sale of coke along with a substantial increase in the volume and average rate received for gas sold for industrial purposes. Larger gross revenues derived from sales were partially offset by increases in production costs, depreciation and distribution expenses.

Total volume of manufactured gas sales increased approximately 31%, due almost entirely to increased sales to war industries. There was a nominal increase in gas sales for domestic and commercial purposes despite a substantial decrease in sales for house heating. Gross revenues from sale of manufactured gas were 38% higher on the year. Natural gas sales dropped 30% in volume and 20% in revenue resulting from a decrease in the volume of natural gas available to the company for re-sale.

During the year a plant to produce propane gas was installed at a cost of $359,672. Since this plant and the carburetted water-gas plant completed in the previous year are designed to meet a wartime demand for gas their cost is being amortized over a relatively short period and $147,417 was provided out of earnings to cover depreciation and amortization. The report states that gas production facilities are still inadequate for anticipated requirements of war industries and the Dominion Government is building a gas and coke plant on adjoining property. Negotiations are being carried out to have United Fuel operate this government-owned plant and market its products.

Cons. Profit and Loss Account
Years Ended March 31

	1942	1941
	$	$
Operating profit	1,592,203	1,456,567
Less: Bond discount	311,804	316,431
Bond disc. & exp.	26,056	26,634
Depreciation	250,409	239,741
Amort. of plant built for war requirements	247,417	63,580
Inventory reserve	50,000	50,000
Inc. & excess profits taxes	385,000	353,000
Net profit	421,317	407,181
Less: Cl. A pref. divds.	270,000	270,000
Surplus for year	151,317	137,181
Add: Previous surplus	1,017,300	914,400
Coal over re pr. yrs.	18,862	......
Less: Addit. inc. tax on prior years	......	34,281
Surplus forward	1,187,479	1,017,300
Earnings per Share:		
Class A	4.68	4.52
Paid	2.00	2.00
Cl. B and com.	0.85	0.76
Paid	nil	nil
Working Capital		
Current assets	2,509,745	2,357,694
Current liabilities	1,034,323	820,185
Working capital	1,475,422	1,537,509

The Geologists' Paradise

The Province of Nova Scotia is the geologists' paradise because all ages of rocks from Mesozoic down to Precambrian are predominately displayed within a relatively small area.

Fossil ferns and stems found in the coal measures are the palaeobotanists' delight.

Pitching anticlines, synclines and anticlinal domes are prominently displayed in the Precambrian sediments.

The rock exposures around Minas Basin are the museum curators' favorite hunting ground for zeolites.

Shortage of gasoline and tires may curtail your proposed motor trip—but come just the same—the province is well served by the two largest railway systems on the North American continent, and interconnecting bus lines.

THE DEPARTMENT OF MINES
HALIFAX, NOVA SCOTIA

L. D. CURRIE
Minister

A. E. CAMERON,
Deputy Minister

The Wawanesa

Mutual Insurance Company
—Organized in 1896—

Admitted Assets .. $3,310,837.04
Surplus 1,735,148.47

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Accident Underwriters Study New War Policy

New Civilian War Injury Indemnity Contract in the United States Interests Canadian Offices, But Market Considered Limited

Canadian insurance men are watching with interest the introduction of a new civilian war injury policy in the United States. Whether it will be put on the market here in a big way or not will depend to some extent on the experience in the American market.

The new policy is calculated to sell for a premium of $5 in the United States and provides $5,000 accidental death and dismemberment indemnities and up to $500 for medical expenses. It was officially adopted at the annual meeting of the National Association of Accident & Health Underwriters of the United States at Detroit last week. The policy is now before the insurance departments of several of States for approval. If this is secured, it is expected the new policy will be put on the market by the beginning of August.

Reinsurance Pool

Present plans include arrangements for all companies desiring to write this type of contract to enter a reinsurance pool where the risk can be spread.

The policy will be available to every man, woman and child in the United States.

Insurance men in Canada, queried about the possibility of a policy of this kind, declared that similar coverage is available through the ordinary accident policies of certain companies offered here.

In some cases the extra protection is given by an endorsement on the original contract. In others it is stated no endorsement is necessary, the terms of the contract giving protection against accidents due to war conditions such as blackouts. It is pointed out, however, that there is a difference between injury sustained through a pure accident due to war conditions and injury sustained through war conditions not necessarily accidental. For instance it has been argued that if a man walking the street in a blackout falls and sustains an injury, that is a pure accident and would probably be covered by an accident policy. But if injury is sustained through the bursting of an enemy bomb there is no accident and the coverage is a little different.

Small Market Seen

One insurance manager stated that he did not believe a policy of this kind giving specific coverage against all war injuries would sell well in central Canada but might meet with a good request on either coast.

Another who claimed his company was giving definite protection against war injuries through endorsement on an accident and sickness policy, said they were extending this coverage till next February at no cost to the policyholder. When the term of coverage expires, the action taken by the company as regards future contracts will depend on the experience.

Should there prove to be a big demand in the United States for the new policy it is believed a similar one may be offered in Canada.

D. J. Dunlop has been appointed assistant manager for Canada of the Atlas Assurance Co. and its associate, the Essex & Suffolk Equitable Insurance Society Ltd. Head office for Canada of the two companies is at Montreal.

Automobile and General Casualty Insurance
AGENCY INQUIRIES INVITED
SERVICE SAVING SECURITY
Fire and Allied Lines Written in Associated Companies
LUMBERMENS MUTUAL Casualty Company
VANCE C. SMITH, Chief Agent
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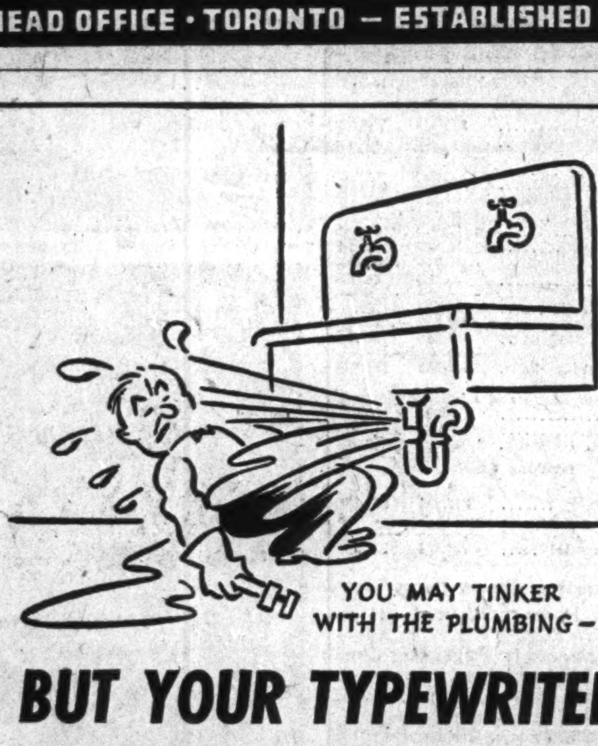

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Group Business 30 Years Old

Group insurance in the United States became 30 years old on July 4, the first policy being written on the employees of Montgomery Ward & Co. by the Equitable Life Assurance Society in 1912. In 1919 this class of business was started in Canada.

In that year the amount written was $11 millions. But in 1920 the peak of the years immediately following the last war, the total had jumped to $66.7 millions. Next year the post war depression set in, the volume of new group business fell to $10 millions. The next three years were spent in putting the business back on its feet and in 1924 about $22 millions of business was sold.

Since then growth has been substantial and the long term trend upward.

In 1941 the volume of new group insurance placed in Canada was $42 millions and total insurance in force at Dec. 31 was $819.2 millions.

Group insurance in Canada was originally written by American companies mainly but in recent years Canadian institutions have been active and the bulk of the business is now written by companies with head offices in the Dominion.

In spite of war conditions more companies are buying group insurance for their employees.

Company Reports Insurance

Commercial Union

Total premiums of the Commercial Union Assurance Co. of London, England, exclusive of life insurance in 1941 were $78.1 millions an increase of about $6 millions according to the annual statement. Figures are calculated at £1 equal to $5.

Total fire premiums were $29 millions while claims paid and outstanding amounted to $12.7 millions, equal to 43.98% of premiums. Commission and management expenses were 46.71% and net underwriting profit 7.52%.

Premium income in the accident department was $41.7 millions. Claims paid and outstanding were $20.1 millions. The profit was over $3.7 millions or 9.02% of premiums. Motor income is stated to have been well maintained but commercial and civil defense vehicles now represent a considerable portion of the business. New restrictions on the use of private cars and motor cycles are expected to reduce income in that class further in 1942.

Net marine premiums were $7.3 millions and claims paid $3.4 millions.

New life insurance written during the year was $19 millions, an increase of $4.5 millions.

Total assets of the company at Dec. 31, according to the consolidated balance sheet, were $378.3 millions.

Insurance Problems

Policy Loans in Quebec

What is the situation now as regards policy loans in Quebec province? About a year ago the life insurance companies discontinued making loans on policies where the beneficiary was the wife of the insured. This I understand was changed later. Are such loans legal in Quebec now?

Policy loans may now be made in Quebec province on policies where the wife is the beneficiary of the insured, just as in any other province. The action of the companies in discontinuing loans on these policies followed a legal decision in a case known as the Larocque case where the Quebec Superior Court and the Quebec Court of Appeal both interpreted the insurance laws in Quebec province as making loans on a policy of this kind illegal.

Last December, however, when the Quebec government announced its intention of clarifying this law and removing all doubt and making such loans legal, the companies resumed making policy loans.

Subsequently, the decision of the Quebec Court of Appeal was appealed again to the Supreme Court of Canada. This court reversed the previous decisions and declared the Larocque loan legal. Unless further appeal is taken to the Privy Council, the whole Larocque case would seem to be closed.

Meanwhile the Quebec Legislature as promised has amended the Husbands' and Parent's Life Insurance Act clarifying the provincial legislation with the Supreme Court Decision and the amendments to the provincial legislation there appears to be no doubt now as to the legal-

Canada Rebuilds Its Savings

Deposits Show First Gain Since 2nd Victory Loan

Savings deposits in Canada at the end of May, were $18.5 millions higher than at the end of April according to the regular monthly return of the chartered banks to the Minister of Finance. The increase was the first in savings deposits since January.

Investments in the second Victory Loan were responsible for declines in February and March and in April the income tax payments were a big factor. Compared with Jan. 31, savings deposits of $1,555.6 millions on May 31, inspite of the gain during the month, were still down $164.8 millions. But if the recovery continues at the same rate as in May the decline will be made up within a few months. The decline from May 31 last year is $139.5 millions.

Demand deposits were down almost $100 millions from the previous month but were $27 millions higher than a year ago.

Government Accounts

Dominion Government deposits were down $58 millions on the month reflecting government expenditures, while compared with a year ago they were $218 millions higher. Deposits of the provincial governments were down in both monthly and yearly comparisons.

Among the loan accounts decline in current loans from the previous month was due in considerable part to repayments of money borrowed by companies and individuals to buy Victory bonds. Depite the decline for the month they were $83 millions higher than a year ago. Industrial demand for loans has not been heavy recently it is understood.

Call loans in Ganada continued to decline as a result of the lack of speculative activity. A rise in provincial loans is understood to be the result of borrowing by the provinces for immediate needs pending receipt of their share of income tax payments from the Dominion.

Loans to municipalities continued the decline they have been showing for months past.

With deposits increasing more rapidly than loans, the Financial Post Business Index which is the ratio of current and call loans in Canada to demand and savings deposits in Canada was lower for the month but higher than a year ago.

Use of Bank Credits
(In Millions of Dollars)

	May 1942	April 1942	Change	May 1941	Change
Loans	1,243.8	1,283.6	—39.8	1,161.1	+82.7
Investments	1,877.5	1,898.9	—21.4	1,812.0	+65.5
Total	3,121.3	3,182.5	—61.2	2,973.1	+148.2
Deposits	2,688.4	2,769.4	—81.0	2,800.3	—111.9
Credit index*	42.5%	42.8%	—0.3%	37.9%	+4.6%

*Ratio of current and call loans in Canada to demand and savings deposits in Canada.

ASSETS

Immediately Available Liquid Assets

	May 1942 $	April 1942 $	Change $	May 1941 $	Change $
Canadian coin	6,197,810	7,399,441	—1,201,631	5,903,195	+294,615
Bk. of Can. notes	92,898,356	99,873,592	—6,975,236	75,463,359	+17,434,997
Bk. of Can. depos.	185,983,324	214,771,755	—28,788,431	239,788,992	—53,805,668
Bank's cash	285,079,490	322,044,788	—36,965,298	321,155,546	—36,076,056
Other banks' notes	2,698,353	2,090,366	+607,987	3,025,417	—327,064
Gold, sub. coin abd.	2,567,483	2,747,180	—179,697	2,999,015	—431,532
Foreign banks	169,016,255	179,718,977	—10,702,722	191,612,674	—22,596,419
Foreign currency	36,837,163	33,940,233	+2,896,930	29,817,122	+7,020,041
Gov. sec. short term	702,538,527	707,155,952	—4,617,425	767,009,084	—64,470,557
Do., long term	915,111,395	933,834,730	—18,723,335	793,738,897	+121,372,498
Call loans abroad	62,434,294	52,819,463	+9,614,831	41,948,599	+20,485,695
	2,176,282,960	2,234,351,689	—58,068,729	2,151,306,354	+24,976,606
Loans and Other Securities Other Than Those of Canadian Government					
Municipal secs.	78,429,167	82,128,373	—3,699,206	91,367,405	—12,938,238
Public secs.♦	96,552,300	89,826,652	+6,725,648	63,162,583	+33,389,717
Other secs.	84,864,564	86,006,535	—1,141,971	97,139,927	—12,275,363
Can. call loans	29,026,820	31,827,364	—2,800,544	29,456,579	—429,759
Current loans	1,115,096,158	1,155,818,008	—40,721,850	1,031,765,466	+83,330,692
Loans abroad	138,773,258	141,983,471	—3,210,213	134,335,039	+4,438,219
Prov. loans	16,560,114	10,399,135	+6,160,979	12,154,057	+4,406,057
Mun. loans	83,156,268	85,537,543	—2,381,275	87,676,943	—4,520,675
	1,642,458,649	1,683,527,081	—41,068,432	1,547,057,999	+95,400,650
Other Assets					
Non-current loans	4,175,063	4,269,119	—94,056	5,555,092	—1,380,029
Real estate	6,119,135	6,219,847	—100,712	6,835,783	—716,648
Mortgages	3,427,371	3,403,999	+23,372	3,566,019	—138,648
Premises	69,611,559	69,641,534	—29,975	70,559,799	—948,240
Letters of credit	122,936,392	124,484,031	—1,547,639	87,331,030	+35,605,362
Loans to comp.	11,096,740	10,712,229	+384,511	11,089,807	+6,933
Other assets	2,050,653	2,159,564	—108,911	2,008,429	+42,224
	219,416,913	220,890,323	—1,473,410	186,945,959	+32,470,954
Total	4,038,158,522	4,138,769,093	—100,610,571	3,885,310,312	+152,848,210
Note circ. dep.	4,503,923	4,501,297	+2,626	4,846,948	—343,025
Int. bank bal.	139,726,322	176,328,451	—36,602,129	124,371,894	+15,354,428
Gross	4,182,388,767	4,319,598,841	—137,210,074	4,014,529,154	+167,859,613
LIABILITIES					
To the Public					
Circulation	74,059,133	73,795,475	+263,658	83,282,285	—9,223,152
Dom. Govt.	371,055,242	429,881,731	—58,826,489	152,675,171	+218,380,071
Prov. Govt.	58,226,922	62,948,472	—4,721,550	92,011,177	—33,784,255
Deposits by Public					
Demand dep.	1,132,679,645	1,232,245,938	—99,566,293	1,105,175,452	+27,504,193
Savings dep.	1,555,675,615	1,537,144,724	+18,530,891	1,695,182,121	—139,506,506
Total	2,688,355,260	2,769,390,662	—81,035,402	2,800,357,573	—112,002,313
Foreign dep.	496,110,173	486,303,305	+9,806,868	434,098,620	+62,011,553
Due to Banks abroad, Etc.					
United Kingdom	23,566,224	21,680,512	+1,885,712	20,532,749	+3,033,475
Foreign	33,009,121	32,482,090	+527,031	30,369,303	+2,639,818
Bills payable	37,349	28,019	+9,330	7,110	+30,239
Letters of credit	122,936,392	124,484,031	—1,547,639	87,331,030	+35,605,362
Other liabs.	4,417,745	4,093,453	+324,292	5,016,315	—598,570
Total pub. liabs.	3,871,773,561	4,005,087,750	—133,314,189	3,705,681,333	+166,092,228
Due bet banks	11,702,902	17,495,634	—5,792,732	10,796,656	+906,246
Liability to Shareholders					
Dividends	2,225,092	2,785,739	—560,647	2,272,430	—43,338
Reserve	134,750,000	134,750,000	....	133,750,000	+1,000,000
Capital	145,500,000	145,500,000	....	145,500,000	....
Gross	4,165,951,555	4,305,619,123	—139,667,568	3,998,000,419	+167,951,136

♦Other than Canadian.

New Insurance Law Invoked

Motorist Can't Deduct Injured Person's Insurance From Damages

A recent legal decision in the Superior Court of Quebec at Montreal, under legislation put on the provincial statute books May 29, is directly contrary to a number of earlier decisions given under the law as it stood previously.

The circumstances of the case in question were: A woman sued a motorist for $8,280 for the death of her husband, fatally injured by the motorist's car. The Court held the motorist at fault and refused to deduct from the total amount of the damages awarded ($4,500), the sum of $1,000 received by the widow as the proceeds of an insurance policy carried by her late husband.

In a number of earlier judgments before the new law was passed the contrary view had been taken. Where a person was awarded $2,500 damages for an automobile accident, if he had an accident insurance policy of his own under which he had been paid $1,000, the motorist was required only to pay the difference between the insurance money received and the total amount of damages awarded. The new law provides 'civil responsibility shall in no way be lessened or altered by the effect of the insurance contracts."

Demand Grows For Currency

An increase of $6.5 millions in circulation shown in the statement of the Bank of Canada for the week ended July 1 is attributed in large part to holiday demand for cash. Army week saw considerable travel of both troops and civilians while the July 1 holiday and the beginning of the vacation season also saw an increased use of currency.

On the credit side, the main change was a switching of over $12 millions from miscellaneous items to investments probably reflecting market operations of the bank.

	July 1 1942 $	June 24 1942 $
Liabilities		
Capital paid-up	5,000,000	5,000,000
Notes in circ.	541,243,862	534,722,557
Rest fund	5,585,705	5,585,705
Deposit: Dom.	31,308,408	34,998,722
Banks	221,306,046	200,281,904
Other	26,695,174	23,764,224
Total deposits	279,309,628	259,044,850
All other liabs.	11,833,948	10,550,096
Total liabs.	842,973,143	814,903,208
Assets		
In Sterling & U. S.	944,075	181,496
Subsid. coin	412,469	402,661
Investments:		
Dom. gov. sh.	493,651,746	485,246,802
Other Dom. gov.	322,131,284	318,201,256
Total invest.	815,783,030	803,448,058
Premises	1,889,090	1,830,704
All other assets	23,944,479	9,040,289
Total assets	842,973,143	814,903,208

Insurance Notes

Charles G. Taylor Jr. has been elected vice-president of the Metropolitan Life Insurance Co. He was previously 2nd vice-president and succeeds Frederick W. Ecker, who resigned to become special assistant to Lease Lend Administrator E. R. Stettinius Jr. in Washington.

* * *

Alfred Kinch and William T. Thorpe have been appointed managers of agencies of the Manufacturers Life Insurance Co. Mr. Kinch joined the company in 1914 and Mr. Thorpe in 1919. Previous to these appointments, both men were agency superintendents, Mr. Kinch being in charge of the United States Division and Mr. Thorpe in charge of the Canadian Division, which territories they will continue to supervise.

* * *

Total paid business obtained by the Canada Life Assurance Co. in its recent six weeks spring drive exceeded the previous high mark reached in 1941 by over $500,000. The New Brunswick-P.E.I. branch under Manager John MacKinnon was the trophy winner for the second year in succession. This trophy is awarded on a basis reflecting percentage of quota of paid business as well as quality and size of individual contracts. Manager R. J. Trenouth's Toronto City branch was the winner for volume paying for over $1 million business in the period. Third in standing was the Vancouver branch of which R. A. Sanderson is manager.

Frank C. Hoy, Toronto City branch, was individual winner for volume with paid for business exceeding $100,000 in the six weeks.

Canadian Income Taxes Still Well Above U.S.

Mr. Ilsley's sharp increases in the Canadian income tax leave the Dominion's levy below that for Britain, but substantially higher than in the United States even at the proposed new rates.

A married man with no children and an income of $2,000 pays in Canada a net tax after allowing for refund of compulsory savings of $231. In the United Kingdom it would be $377, in United States at the proposed rates, $80. If compulsory savings are added the total tax in Canada would be $431 and in the United Kingdom $504. The Canadian tax scale is nearer the British than that of the United States.

Other Differences

With the new budget Canada as well as Britain has the compulsory savings feature. The United States has none. Exemptions in Canada have been substantially reduced nearer to the British level. Reductions in exemptions in the United States are more moderate.

In both Canada and Britain present scales are designed to reach the lower paid groups more than in the United States.

A Canadian married man without children and an income of, say, $2,000 has had his total tax increased from $175 to a total of $431, of which $200 is compulsory saving. The total increase is almost 150%.

Changes in exemptions are important. No exemption is allowed for the flat rate tax, except that a single person with an income of less than $660 and a married person with an income less than $1,200 does not pay the flat rate tax and the tax must not reduce incomes below these points. For the graduated tax there is now but one exemption, $660 for both married and single persons. But married people may deduct a flat amount of $150 from the total amount of tax payable, while a deduction of $80 from the actual tax payable is allowed for each dependent.

In Britain

In the United Kingdom the exemption for a single person is $320 and for a married person $560 with $200 for each dependent.

In the United States the exemptions proposed under the new rates are $500 for a single persons and $1,200 for a married one with $400 for each dependent.

Some comparisons follow:

SINGLE PERSONS—NO DEPENDENTS

	Canada			Britain			United States No Forced Savings	
Income	Total	Refund	Net	Total	Refund	Net	Present	Proposed
2,000	601	160	441	624	107	517	117	258
4,000	1,594	320	1,274	1,524	173	1,351	347	651
10,000	5,112	800	4,312	4,624	240	4,384	1,493	2,295
20,000	11,829	800	11,029	11,349	240	11,109	4,929	6,621

MARRIED—TWO DEPENDENTS

Income	Total	Refund	Net	Total	Refund	Net	Present	Proposed
2,000	215	108	107	305	*	*	...	...
5,000	1,662	600	1,062	1,655	*	*	271	540
10,000	4,546	1,200	3,346	4,305	*	*	1,117	1,800
20,000	11,063	1,200	9,863	11,029	*	*	4,287	5,856

*Figures not available.

Weekly Bank Clearings

	July 2 1942 $	Change Year Ago %	June 25 1942 $
Halifax	3,408,315	+0.03	4,005,318
Saint John	2,485,378	+13.0	2,568,123
Moncton	1,346,654	+35.4	1,159,989
Sherbrooke	1,043,915	+63.0	874,170
Quebec	5,471,751	—3.4	4,918,759
Montreal	114,102,847	+6.3	109,285,302
Ottawa	46,909,655	—25.0	42,238,953
Kingston	648,597	—6.8	754,055
Peterborough	684,595	—7.0	860,348
Toronto	127,692,259	+8.9	142,001,719
Hamilton	6,003,109	—14.6	7,008,628
St. Catharines	1,261,946	—5.8	1,275,396
Kitchener	1,198,946	+5.5	1,309,652
Brantford	945,316	—23.9	1,260,678
London	2,768,418	—4.4	3,266,990
Chatham	648,584	—10.6	693,480
Windsor	4,376,207	+12.0	4,657,974
Sarnia	375,589	—19.4	542,120
Sudbury	966,673	—20.0	1,176,434
Fort William	1,132,255	—11.6	1,066,954
Winnipeg	72,312,963	+14.1	40,913,538
Brandon	430,717	—6.3	440,878
Regina	3,762,414	—29.9	4,293,186
Moose Jaw	616,396	—2.2	638,779
Saskatoon	1,491,566	—14.8	1,376,855
Prince Albert	443,515	+2.7	425,712
Edmonton	5,305,375	—0.2	4,054,557
Calgary	6,576,429	—6.9	7,607,467
Lethbridge	589,200	+3.0	603,392
Medicine Hat	238,897	—26.7	288,621
N. W'minster	928,961	+12.0	1,020,462
Vancouver	25,851,370	+25.7	27,644,161
Victoria	1,775,000	—7.1	2,141,132

Monthly Bank Clearings

	June 1942 $	June 1941 $
Halifax	17,821,429	15,524,927
Saint John	11,195,324	9,508,132
Moncton	5,073,369	4,356,988
Sherbrooke	4,746,023	4,090,891
Quebec	24,237,351	22,761,025
Montreal	517,050,016	483,410,849
Ottawa	211,907,971	341,635,255
Kingston	3,417,113	3,126,144
Peterborough	3,860,424	3,171,896
Toronto	620,125,010	531,880,744
Hamilton	31,141,129	29,854,087
St. Catharines	6,056,776	5,939,914
Kitchener	5,710,419	5,316,874
Brantford	4,993,166	4,626,525
London	13,990,833	14,252,626
Chatham	2,987,365	3,330,156
Windsor	18,811,953	16,474,158
Sarnia	2,216,576	2,408,948
Fort William	5,118,454	5,295,997
Winnipeg	240,611,978	213,748,732
Brandon	2,105,310	1,819,655
Regina	20,706,761	24,886,756
Moose Jaw	2,984,620	3,023,420
Saskatoon	7,038,362	6,653,927
Prince Albert	2,957,500	1,690,083
Edmonton	25,005,040	20,969,033
Calgary	29,541,389	33,541,792
Lethbridge	2,543,616	2,319,100
Medicine Hat	1,269,437	1,442,038
New Westminster	4,086,497	3,281,735
Vancouver	108,829,128	80,845,395
Victoria	8,829,126	8,262,611

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